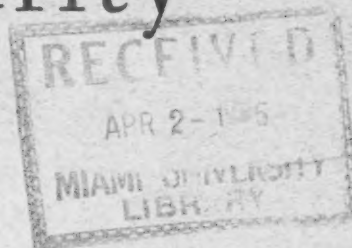


# Social Security Bulletin



February 1945

Vol. 8

No. 2

*Reappraising Aid to Dependent Children*

*Social Insurance Contributions for Agricultural and  
Domestic Workers*

*Merit Systems in the Social Security Program*

*State Aid to Veterans*

FEDERAL SECURITY AGENCY

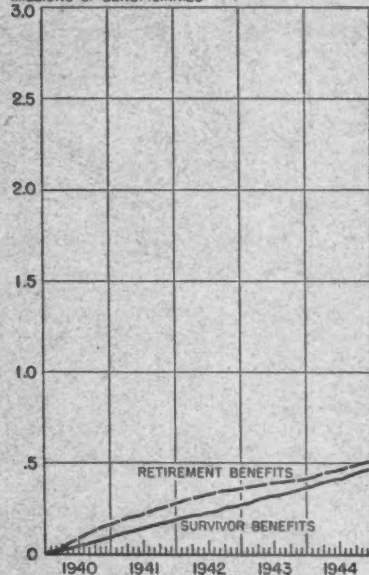
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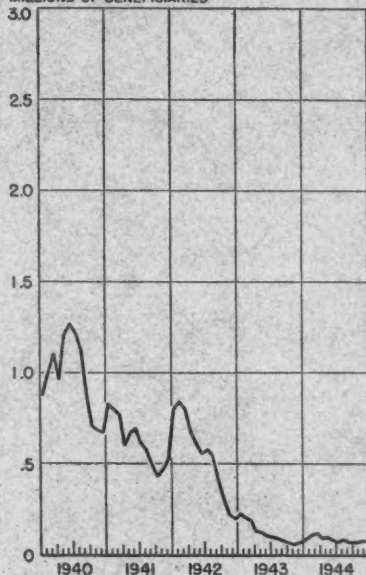
# Social Security Operations\*

## INDIVIDUALS RECEIVING PAYMENTS

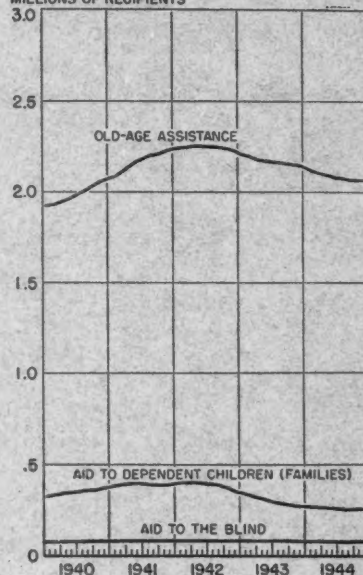
OLD-AGE AND SURVIVORS INSURANCE  
MILLIONS OF BENEFICIARIES



UNEMPLOYMENT COMPENSATION  
MILLIONS OF BENEFICIARIES

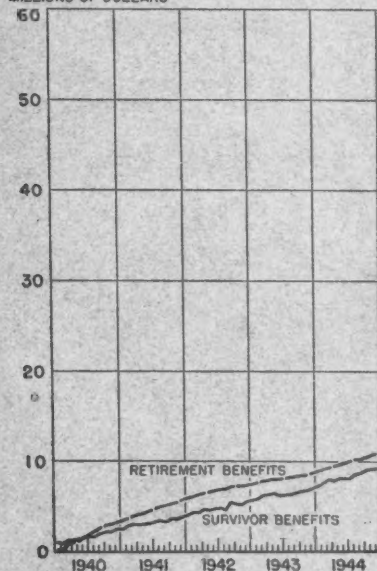


PUBLIC ASSISTANCE  
MILLIONS OF RECIPIENTS

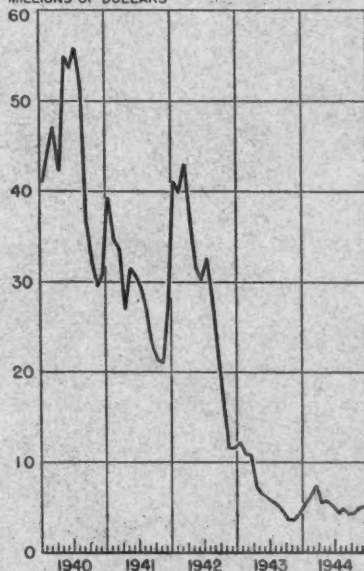


## SOCIAL SECURITY PAYMENTS

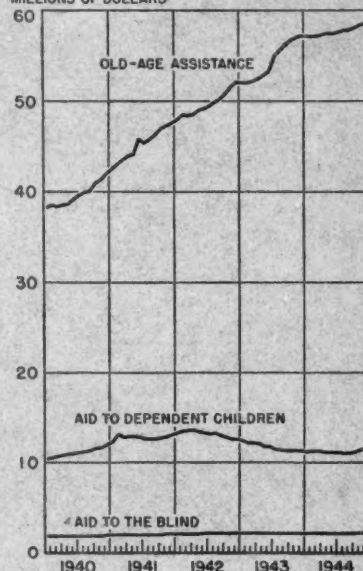
OLD-AGE AND SURVIVORS INSURANCE  
MILLIONS OF DOLLARS



UNEMPLOYMENT COMPENSATION  
MILLIONS OF DOLLARS



PUBLIC ASSISTANCE  
MILLIONS OF DOLLARS



\*Old-age and survivors insurance, beneficiaries for whom payments were certified and amounts certified during month; unemployment compensation, weekly average number of beneficiaries for the month and gross benefits paid during the month under laws of States and Territories; public assistance, recipients and payments in the continental United States under all State plans.







# Social Security Bulletin

Volume 8

February 1945

Number 2

## Social Security in Review

### 1944 in Review

DURING 1944 the civilian labor force fluctuated between 51.2 and 55 million persons and stood at 51.3 million in December, about 600,000 less than in December 1943. Of this number, 50.6 million were employed, as against 51.0 million a year earlier, while the number of unemployed persons dropped from 890,000 to 680,000.

The number employed at the end of 1944 was only about 200,000 more than the number in December 1941, before large-scale transfers to the armed forces began. In those 3 years, however, the size of the armed forces jumped from 2.1 to 11.9 million, and the country's total labor force, including the armed forces, rose from 55.7 to 63.2 million, increasing by 3.4 million men and 4.1 million women. The availability of jobs to boys and girls, old people, the handicapped, and others who ordinarily would have difficulty in getting or keeping paid work continued during 1944, as in the 2 preceding years, to keep social insurance and assistance rolls at lower levels than would otherwise have been expected.

IN UNEMPLOYMENT COMPENSATION, all major activities were at lower levels than in 1943. In the year as a whole, States paid out one-fifth less in unemployment benefits, though the amount in the last quarter of 1944 was considerably more than in the fourth quarter of 1943, when disbursements were at a record low.

The average weekly number of beneficiaries—79,000—was nearly one-third less than the average in 1943, while the average duration of benefits dropped from 9.2 weeks in the earlier year to 7.7. The continued reduction in average duration of unemployment is pointed up by the declining ratio of continued claims to initial claims: 3.7 in 1944, and 4.1, 5.3, and 6.0 in 1943, 1942, and 1940, respectively. Nevertheless, of about 523,000 persons who drew one or more benefit checks during the year, nearly

1 in 5 exhausted all rights to benefits. The average weekly benefit for total unemployment, in part reflecting increase in base-period earnings as the result of upgrading, overtime pay, and other wartime factors, rose from \$13.84 in 1943 to \$15.90.

IN OLD-AGE AND SURVIVORS INSURANCE, benefits aggregating \$20.4 million a month were in force for 1.1 million beneficiaries at the end of December. Both the number of benefits in force and the total monthly amount were about one-fourth higher than those at the end of 1943. Awards of monthly benefits in 1944 outnumbered those in the preceding year by nearly one-fourth, largely because of the increase in the number of fully or currently insured workers. For most

types of benefits, the average payment rose slightly over the year. At the end of 1944, it is estimated, the combined amounts received in families of various types ranged from an average of about \$12.40 a month for a family in which one child was the only beneficiary to an average of about \$50.80 for a family in which a widow and three or more children were entitled to benefits.

PUBLIC ASSISTANCE rolls continued to decline throughout 1944 except for aid to dependent children and general assistance, in which the downward trend was halted in November. In that month, for the first time since March 1942, the number of families in the continental United States receiving aid to dependent children was larger than in the preceding month, and in December there were 2,000 more families and 5,000 more chil-

### In this issue:

	Page
SOCIAL SECURITY IN REVIEW.....	1
REAPPRAISING AID TO DEPENDENT CHILDREN AS A CATEGORY, by Grace M. Marcus.....	3
FOREIGN EXPERIENCE IN SOCIAL INSURANCE CONTRIBUTIONS FOR AGRICULTURAL AND DOMESTIC WORKERS, by Wilbur J. Cohen.....	5
MERIT SYSTEMS IN THE SOCIAL SECURITY PROGRAM, by Oscar M. Powell.....	10
STATE AID TO VETERANS, by Franklin Aaronson and Hilda Rosenbloom.....	12
PUBLIC ASSISTANCE:	
Trends in old-age assistance in 1944.....	21
EMPLOYMENT SECURITY:	
Operations in unemployment compensation.....	25
Weekly benefit amount in unemployment compensation.....	29
Employment service operations.....	30
Railroad unemployment insurance and employment service.....	31
OLD-AGE AND SURVIVORS INSURANCE:	
Under the Social Security Act.....	33
Monthly benefits in force and payments certified, December 1944.....	33
Monthly benefits and lump-sum payments awarded, October-December 1944.....	33
Under the Railroad Retirement Act.....	35
SOCIAL AND ECONOMIC DATA:	
Social security and other income payments.....	36
Estimated pay rolls in covered employment, third quarter, 1944.....	36
Social insurance and related payments.....	36
Civil-service refunds.....	39
Servicemen's family allowances.....	39
Financial and economic data.....	41
RECENT PUBLICATIONS.....	48

dren on the rolls than in November; December figures, however, were at least 6 percent below those for December 1943. The number of cases receiving general assistance in December—258,000—increased 4,000 from November—the first monthly increase, with one exception, since January 1942, when 836,000 cases were on the rolls. Part, though not all, of the upswing in these programs resulted from changes in practices in some States, whereby aid to dependent children and general assistance were granted to persons whose requirements had previously been considered in payments made under another assistance program.

Though the aged population has increased 900,000 in the last 4 years, fewer persons were receiving old-age assistance in December 1944 than at any time since December 1940. The 2.1 million recipients represented a decrease of 4 percent from the number in December 1943; the number of recipients of aid to the blind also declined 4 percent over the year. It seems possible, however, that factors which have been responsible for decline in the number of recipients—chief among them the chance to earn or to benefit from the increased earnings of friends and relatives—have had their maximum effect in enabling recipients to leave the rolls or enabling other aged or blind to refrain from applying for assistance.

Under all assistance programs the average payment rose gradually during 1944, in response to the wartime rise in living costs, the improvement in the fiscal situation in some States, and other factors. Expenditures for assistance in the continental United States in December 1944 totaled \$79.7 million, slightly more than in December 1943.

### *Social Security Recommendations of the Governors*

During January the Governors of 42 States sent messages to the opening sessions of the State legislatures. Prominent in the recommended legislation were provisions for safeguarding the social welfare of the people through improvements in State unemployment compensation, public assistance, and health programs.

Extension of coverage of unemployment insurance to employees of small firms, reduction of the waiting period, and liberalization of unemployment

benefits—both in amount and duration—as well as study of the present systems to determine the adequacy of the protection were among the recommendations made in almost half the messages. Increases in public assistance payments were recommended by about 20 Governors, and various types of measures to protect the health of the people—in addition to regular public health activities—by some 15. The following paragraphs outline some of the more comprehensive and explicit recommendations.

Governor Earl Warren of California said that three changes in the State's unemployment insurance act are called for at this time: extension of duration of benefits to 26 weeks, reduction of the waiting period to 1 week, and expansion of coverage to employees of small employers. "If the protection is desirable for the employees of larger firms, it is likewise desirable for those who work in establishments that hire three, two, or one." He urged that the increase in the old-age assistance payment from \$40 to \$50 a month, effected during 1943, be continued during the next biennium.

While commending the progress made by voluntary health insurance, Governor Warren declared, "It is now generally agreed that we can not bring proper standards of health to the people of every community through voluntary programs . . . It is my recommendation that you take action at this session . . . on a program which will bring adequate medical care to the people of our State on a prepaid basis. It is my suggestion that this be accomplished by building a fund, through pay roll deductions from both employer and employee, from which the costs of medical care can be financed."

North Carolina's average monthly public assistance payments should be raised, Governor R. Gregg Cherry said, "to bring them more nearly in line with the elementary needs . . . of the persons receiving such help." In evaluating the assistance program, he added, "We must also recognize the State's responsibility for helping counties meet the problem of providing for our unemployable citizens in the normal working years as well as for dependent children and the aged."

Referring to the recent report of the Commission on Hospitals and Medical Care, which included a recommendation for "a State-wide pro-

gram of hospital and medical care, involving 'more doctors' and 'more hospitals,'" Governor Cherry said that he agreed "in principle with its main thesis," but had not yet had "an opportunity to study its full implications or arrive at a definite conclusion as to its initial capital outlay or recurring costs of support." The Governor declared, however—referring to a program of public health that could be put into effect at once—"that an adequate medical examination, and care, should be provided for all the children in the State whose parents are not able to provide the same." Governor Edward Martin of Pennsylvania also recommended periodic physical examinations of all school children in the State.

Governor Sam C. Ford of Montana reported his belief that "a simple, workable, and not too expensive plan to provide cash sickness insurance" can be devised for the disabled worker, but without "the regimentation of hospitals and physicians from Washington." Governor J. Howard McGrath of Rhode Island proposed State sponsorship of a plan of prepaid hospitalization, to be directed "within the framework of existing private agencies and without undue State control." Pointing out that disbursements under Rhode Island's program of cash sickness insurance now exceed receipts, he said that, if one of the chief causes of unbalance is the policy of allowing a worker to receive benefits under both the cash sickness and workmen's compensation programs at the same time, "it would seem that in fairness to all the workers the practice be stopped." He also proposed establishment of a board of directors, composed of men experienced in finance, to administer the fund and the policies affecting its investment and use.

In Massachusetts, Governor Maurice J. Tobin recommended legislation to increase the scale of unemployment benefits, since the present scale "does not reflect the increased cost of living," and that the operation of experience rating in the State "be reviewed to determine whether or not it has worked satisfactorily, and whether or not it has provided a sufficiency of contributions to meet the inevitably increased requirements of the post-war period."

Governor Tobin also recommended for the attention of the legislature the

report of the special committee on old-age assistance problems, which urged "measures which, if enacted, will tend to further liberalize the administration of the law and the treatment of our aged citizens . . . I also recommend that you give consideration to the distribution of the burden of taxation for the handling of dependent aid cases. The burden . . . should not be treated as an entirely local, community problem." He further recommended legislation modifying the existing settlement laws, which he described as "very exacting and antiquated," and an equal division of the cost of providing for dependent aid between the State and local governments.

Governor Walter W. Bacon of Delaware recommended raising the pres-

ent minimum weekly unemployment benefit from \$5 to \$7 and extending duration by 2 weeks. The unemployment reserve fund, he said, "can well afford these higher benefit rates and I believe provision should be made for the payment of such rates to those who are unemployed through no fault of their own." In referring to the post-war return of the employment service to the States, he proposed "that a suitable contingent fund be made available for the necessary matching of Federal funds that would be a prerequisite to the return of the employment service to the State." In view of Federal legislation, he also proposed repeal of the State provision freezing the benefit rights of workers who had been inducted into the armed forces. The

Governor also recommended that the maximum amount payable to recipients of old-age assistance be increased from \$25 to \$30 a month, as recommended by the Old Age Welfare Commission.

In discussing post-war employment problems, Governor Harry F. Kelly of Michigan stressed the importance of the State unemployment compensation system in the transition period. Accordingly, he said, "We must be certain of the solvency of the funds, of the adequacy of the reserves; that the coverage, eligibility and benefit provisions are adequate and fully adapted to the demands that will be made upon them." Governor Kelly also said he concurred in the recommendations of the State Social Welfare

(Continued on page 51)

## Reappraising Aid to Dependent Children as a Category

By Grace M. Marcus\*

*This article is based on a statement prepared by Miss Marcus in the course of an extended study of aid to dependent children and submitted by the Bureau of Public Assistance to the Social Security Board for its consideration in connection with other material relating to the program.*

GOOD USE OF aid to dependent children has been impeded by the financial maximums limiting Federal participation. The carry-over of mothers'-aid philosophy has been damaging. Absence or inadequacy of general assistance funds has frequently made it impossible to use that program to compensate for weaknesses in financing aid to dependent children and for its categorical restrictions. As work has led into closer analysis of the Federal provision, however, it has become apparent that, even if these obstacles were removed, inherent defects in the category would prevent achieving the intended results through aid to dependent children. Experience has shown that aid to dependent children, as a category, is fundamentally defective.

### Positive Values of Categories

When properly framed, a categorical provision should offer certain well-known advantages to counterbalance its disadvantages. A category is useful in isolating a group from the

heterogeneous mass on the basis of some simple, easily defined characteristics. On the basis of these characteristics, categorical definitions of eligibility may be set up. Use of the categorical basis facilitates meeting need in the designated group because it safeguards the claims of the eligible to assistance and simplifies the problem of improving standards in meeting needs peculiar to the classification.

Whatever may be said against categories, the category that is well devised reinforces the recognition of need by emphasizing specific characteristics in the categorical group that are easily accepted as innocent and justifiable reasons for dependency. When the characteristics are definable in objective terms, as in old-age assistance and aid to the blind, and are not transitory or variable, administration of assistance to the categorical group is relatively simplified, and clear and adequate policy is more easily developed. Moreover, the category provides safeguards against the instability in the legislative appropriation for continuing need that so often affects the general assistance

load. One test of the effective constructed categorical provision is whether it facilitates the prompt recognition and adequate meeting of need or delays and blocks it.

Experience with aid to dependent children shows that some of the characteristics on which eligibility rests do not facilitate the prompt recognition and adequate meeting of need. Children eligible for aid to dependent children must be sorted out of the mass of dependent needy children according to combinations of parental circumstances, and of these circumstances only death is easily determined and accepted as an objective cause of need. In actuality, the characteristics of parental absence and incapacity undermine the appeal that a category for children might otherwise carry, and they divert, rather than strengthen, the concern with need.

### Social Stigma in Eligibility Factors

The neutral legal phrases concerning "continued absence" and "physical or mental incapacity" of the parent conceal the fact that in many cases of such absence or incapacity the characteristic situation by which the child's eligibility is to be determined has damaging personal and social connotations. When absence refers to desertion, separation, or divorce, it high lights a condition frequently arousing such strong suspicion and prejudice as to sidetrack the concern for the child's need. So also do physical incapacities when their severity is not self-evident or is due in part

\*Consultant, Bureau of Public Assistance.



to specific personal or social factors in the individual's situation. Mental incapacities that do not take the form of gross abnormality are even less likely to be accepted as legitimate causes of need. In short, situations considered on the grounds of absence or incapacity of a parent often involve subjective factors of personal responsibility, behavior, and relationships to which a social stigma is attached. To use these as categorical characteristics does not help needy eligible children to be quickly and positively accepted as justifiable objects of assistance.

### *Requirement of Unusual Skill and Judgment*

For another reason also, use of absence and incapacity as eligibility factors may militate against, rather than for, the recognition of legitimate need. In trying to formulate definitions and clarify policy about continued absence, it has repeatedly been discovered how difficult it is to maintain a liberal social intent in administering aid to dependent children and to keep a line clear between absence, unemployment, and nonsupport. This difficulty is, of course, one of the reasons why agencies have played safe by leaning on severely limiting procedures, for to do anything else requires that they must rely on more general policy directions and on a high degree of skill and judgment in their staffs. Since they are often required by the category to justify decisions about eligibility in terms not only of need but also of absence and incapacity, they are vulnerable to severe community challenges about their interpretations. Actually, determination of absence requires highly developed interviewing skill and exceptionally mature judgment in cases that are on the border line between aid to dependent children and general assistance. In view of the fact that categorical characteristics should facilitate the identification of the eligible need, the choice of two factors that often demand unusual skill for their determination again brings into question the construction of aid to dependent children as a category.

Special difficulties beset the agency in determining incapacity. The accurate determination of the psychological and social factors that may complicate physical illness and are dominant in mental illness requires

highly specialized skills in physical and mental medicine as well as the specialized social work skills that distinguish medical and psychiatric social work. The lack of medical personnel and facilities capable of this quality of diagnosis is general throughout the country. To escape from the present narrow constructions of incapacity that recognize only the extreme and incurable conditions is to risk irresponsible and slipshod acceptance of all sorts of complaints and behavior as evidence of mental incapacity. This risk would be so grave that it is socially wiser to accept the present exclusion of real mental incapacities as an injustice to be met only as adequate public health facilities can be established. The result of this policy, however, is that potentially eligible children will continue to be barred from aid to dependent children because the resources for determining their eligibility are lacking. If children in these situations received general assistance on the basis of need alone, lacks in diagnostic and treatment resources will still deprive their parents of necessary opportunity for needed care, but at least assistance for financial need would not be denied because the agency is unable to meet its responsibility for determining incapacity as an eligibility factor.

### *Psychological Draw-Backs of Eligibility Conditions*

An additional and different drawback of the category of aid to dependent children is that the emphasis on absence and incapacity as eligibility factors to be *established and maintained* has psychologically and socially injurious effects. To say this is not to subscribe to the popular idea that individuals deliberately leave home or cling to incapacity in order to obtain aid to dependent children. It is, rather, to call attention to the indirect effects of these eligibility conditions in situations in which the absence may not be necessarily final or the incapacity total or permanent. Here there is a typical conflict between the desire to have aid to dependent children provided promptly to meet need and to prevent disintegration and the responsibility for seeing that the basis on which it is provided is not detrimental.

For example, in a case of marital discord the wife may actually have been an active agent in the husband's

leaving home. When she establishes the eligibility of her children not on the basis of their need alone but also on the expectation of his remaining away, her action may have the effect of crystallizing—for her and for him—a separation that would otherwise be reconsidered by both. Similarly when the husband's difficulty in supporting the family has been a source of serious marital disagreement, the use of absence as an eligibility factor gives an undesirable emphasis to the fact that his absence is more valuable than his presence.

The same negative effect may result from the stress on incapacity as a condition of eligibility. In cases in which partial or total recovery may still be possible, the emphasis on incapacity in determining eligibility tends to have a discouraging psychological influence in that it seems to make the illness or handicap conclusive and adds a financial hazard to the other difficulties involved in any struggle for recovery. Even if general assistance were more generally available so that assistance need not stop when the absence or incapacity ends, the fact remains that these eligibility conditions are psychologically bad.

In agencies which command adequate general assistance funds, workers might be helped to develop skill in soft-pedaling absence and incapacity as eligibility factors in aid to dependent children, but there are objections to any practice that blurs understanding by the recipient of the basis on which assistance is provided. The fact remains that in many cases in which the outcome of absence or incapacity is indeterminate, assistance from a general assistance provision provides a more favorable basis for positive help than does aid to dependent children.

### *Intervention Between Parent and Child*

Another social objection to aid to dependent children as an assistance category is inherent in the title and wording of the provision. A category of assistance for children in their own homes at once affirms and denies the values and responsibilities of the parent-child relationship. It affirms the right of the child to have his need met in his own home if his parents cannot meet it, but it does not recognize directly the right of the parent as the person responsible for the child.



The parent is placed in the position of intermediary between the agency and the child. The ambiguity in the title and wording of the provision obscures the status of the parent as applicant and recipient and would seem to have its roots in the "suitable home" philosophy of mothers' aid, in which the agency assumes a quasi-guardian role, undefined in its responsibilities and powers.

Experience of the last 25 years in psychiatry, child guidance clinics, and progressive child welfare agencies has supplied strong arguments against well-intentioned efforts to serve children living with their parents except through their parents and with their

parents' wholehearted and voluntary support. Insofar as we are concerned with the welfare of children in their own homes and the preservation of their family relationships, our weight should be thrown into strengthening respect for parental rights and responsibilities, for experience has amply demonstrated that, as long as the parent as well as the child is in the home, the parent must be treated as the responsible and determining agent. The detachment of the needy dependent child from the parent implied in the title and phrasing of the provision operates against recognition of and respect for the parent and implies that the parents'

inability to meet the child's need justifies an undefined intervention of the agency in behalf of the child. The effect constitutes a disservice to the social interest in preserving and strengthening the family and the parents' role and responsibility in its functioning.

As middle ground between some such measure as children's allowances and a comprehensive general assistance program covering the need of all families with children, whatever the cause of need, aid to dependent children has had some justification, but this justification exists only as long as it is impossible to obtain a better provision.

## Foreign Experience in Social Insurance Contributions for Agricultural and Domestic Workers

By Wilbur J. Cohen\*

*The Social Security Board has recommended extension of social insurance to agricultural and domestic workers. While administrative problems arise in covering these two groups, many foreign countries have successfully accomplished this task. This article describes various methods which have been used in collecting contributions and recording wage data for agricultural and domestic workers.*

BECAUSE OF ADMINISTRATIVE problems connected with covering agricultural workers and domestic employees under old-age and survivors insurance, coverage of these two groups has generally lagged behind that of industrial and commercial workers. As administrative experience has been gained, countries which have excluded agricultural and domestic employment from their original insurance laws have tended, however, to include them at a later date. Today, according to the best information available, agricultural employees in at least 16 countries<sup>1</sup> and domestic employees in at least 18 countries<sup>2</sup> have social insur-

ance protection against the risks of old age and disability. Several other countries provide by law that the administrative agency may extend coverage to either or both groups.

The chief problem in extending coverage to agricultural and domestic employees under old-age and survivors insurance lies in the collection of contributions. Frequently adjustments have had to be made in the contribution basis or methods of collection. For agricultural workers, two countries—France and Hungary—have established separate systems. For domestic workers, on the other hand, no country has had to establish a separate system, though special provisions have sometimes been found necessary.

Perhaps the most interesting contrasts in administrative techniques are found in the systems of Chile, Czechoslovakia, France, and Great Britain, which are summarized here briefly to show in cross-section some of the major alternatives in methods of fixing and collecting social insurance contributions for these groups. Brief information is also included for

seven other countries—Germany, Hungary, Italy, the Netherlands, the Union of Soviet Socialist Republics, Peru, and Canada.<sup>3</sup> It has not been possible to follow wartime developments in all countries, and unless otherwise indicated the information relates to the pre-war period. Because of the war, it has not been possible to verify all material.

### Chile

The operation of the workers' compulsory sickness, invalidity, and old-age insurance fund, which covers all classes of manual workers—including agricultural laborers, domestic workers, and the self-employed—is particularly significant because it combines a stamp plan with a percentage-of-wage tax. The Chilean law was enacted in 1924, and contributions were first collected in 1925.<sup>4</sup> In general, the contributions from employers are 5 percent of pay rolls, from workers, 2 percent, and from the Government, 1½ percent. In certain mining zones, slightly higher rates are assessed to cover the additional cost of providing medical service in these isolated areas.

Contributions are paid on wages rounded off to the nearest peso.

\*Assistant Director, Bureau of Research and Statistics. The author obtained much of the information on the procedures in Czechoslovakia, France, Great Britain, and the Netherlands in those countries in 1938; on the Chilean and Peruvian systems, in 1942; and the Canadian system in 1943.

<sup>1</sup>Belgium, Bulgaria, Chile, Costa Rica, Czechoslovakia, France, Germany, Great Britain, Italy, the Netherlands, New Zealand, Peru, Spain, Sweden, Union of Soviet Socialist Republics, Uruguay.

<sup>2</sup>All countries in footnote 1 (except Peru) and Poland, Rumania, and Yugoslavia.

<sup>3</sup>For a discussion of the Swedish and New Zealand systems, which cover practically the entire population in those countries, see Hohman, Helen Fisher, *Old Age in Sweden: A Program of Social Security*, Washington, 1940, and Rockwell, Almon F., "The New Zealand Social Security Act," *Social Security Bulletin*, Vol. 2, No. 5 (May 1939), pp. 3-9.

<sup>4</sup>Bustos A., Julio, Vizcarra, José, and de Viado G., *Manual, Extension of Social Insurance Coverage to Agricultural Workers, to the Self-Employed and to Domestic Servants*, Inter-American Committee to Promote Social Security, Montreal (International Labor Office), 1942.

## Sample page from a worker's stamp book, Chilean social insurance fund

11 LAS ESTAMPILLAS DE SEGURO DEBEN ADQUIRIRSE SOLAMENTE EN LAS OFICINAS ESTABLECIDAS POR LA CAJA																
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CAJA DE SEGURO CHILE Asegurado SALARIO \$1.40 \$70.00	CAJA DE SEGURO CHILE Asegurado SALARIO \$0.56 \$28.00	CAJA DE SEGURO CHILE Asegurado SALARIO \$14.00 \$700.00														
CAJA DE SEGURO CHILE Asegurado SALARIO \$16.00 \$800.00	CAJA DE SEGURO CHILE Asegurado SALARIO \$56.00 \$2800.00															
CAJA DE SEGURO CHILE Asegurado SALARIO \$0.02 \$1.00	CAJA DE SEGURO CHILE Asegurado SALARIO \$0.07 \$3.50	CAJA DE SEGURO CHILE Asegurado SALARIO \$0.20 \$10.00														
CAJA DE SEGURO CHILE Asegurado SALARIO \$0.70 \$35.00	CAJA DE SEGURO CHILE Asegurado SALARIO \$2.00 \$100.00	CAJA DE SEGURO CHILE Asegurado SALARIO \$7.00 \$350.00														
LIBRETA DE LA FECHA EN QUE EL ASEGURADO EN QUE SE RETIRA.																
QUIERO DE ESTA HOJA, EL TIEMPO A QUE CORRESPONDEN GANADA POR EL ASEGURADO EN ESE TIEMPO. (INCLUYENDO REGALIAS).																
POR VALORES MENORES O MAYORES QUE LOS CORRESPONDIENTES A ESTA PROHIBIDA Y MULTADA POR LA LEY 4054.																
PILLAS SEAN UTILIZADAS CON LA FIRMA O TIMBRE DEL PATRON.																

REGALIAS.—Para empleados domésticos (camareros, cocineros, etc.) la región, por computarse la imposición debe hacerse sobre el total de Regalías a Valerías inclusive corresponden \$ 120.— y \$ 150.— según sea el caso. Las Regalías que corresponden a las actividades agrícolas y otras se...

Thus the system may be considered a wage-class system with intervals of 1 peso. The employer purchases stamps from the social insurance fund, affixes them in the worker's stamp book (see attached illustration), cancels them, and deducts the worker's share of the contribution from his pay.

Stamps are in 12 denominations, ranging from 7 centavos to 56 pesos; each stamp shows both the total value of the combined contribution, the employee's share, and the employee's wage. Originally separate stamps had to be affixed for the employer's share and for the employee's, but a single stamp is now used for both. From 1 to 6 stamps may be affixed for each wage payment, but 3 or 4 are usual.

The worker's stamp book is approximately  $4\frac{1}{2} \times 5\frac{1}{2}$  inches in size and contains 40 pages, several of which give information concerning the benefits of the law and the regulations with respect to payment. It is valid for a year, at the end of which it is returned to the fund, which posts the value of the stamps to the employee's account and supplies a new book showing the total value of contributions to date.

When the employer buys stamps from the fund, he makes out a form indicating the number of stamps of each denomination that he wishes (see attached illustration). The right-hand portion of the form is detachable and serves as the purchaser's receipt. The reverse side of the form contains instructions for calculating the contributions, and il-

lustrations showing how to affix the least number of stamps for a given wage payment.

The stamp system was preceded by a pay-roll reporting system, which proved unsatisfactory in Chile. After several years' experience with both methods of tax collection, the administrators of the Chilean law now seem convinced that the stamp system is easier and more practicable; they also prefer it because it provides an automatic receipt for the employee.

## Czechoslovakia

Czechoslovakia enacted its old-age, invalidity, and survivors' insurance system for workers, including

workers in agriculture and domestic service, in 1924, grafting it onto an earlier health insurance program as Great Britain had done. But unlike Great Britain, Czechoslovakia uses the pay-roll reporting method exclusively. Contributions for health insurance are varied according to 10 wage classes, which are combined into 5 for old-age, invalidity, and survivors' insurance. The combined contribution for both programs is collected by the health insurance funds, which also do most of the record-keeping and claims adjudication, under the supervision of the Central Insurance Institution at Prague.

There is a separate system of old-age, survivors', and disability insurance for salaried employees, including those in agriculture. This system—adapted from an Austrian system which had operated since 1909 in what later became Czechoslovakian territory—is not attached to health insurance. It also uses pay-roll reporting, and contributions are varied according to 11 wage classes for old-age insurance and 15 for health insurance.

When the workers' plan was drafted, a stamp system was considered but rejected. Accordingly it was decided to follow the pay-roll reporting method used for many years in the system for salaried employees and in the workers' health insurance system.

Entrance and separation reports

Sample form for purchase of stamps, Chilean social insurance fund<sup>1</sup>

CAJA DE SEGURO OBLIGATORIO LEY 4054 ESTAMPILLAS DEL 7/6 (color rojo)					PAPELETA COMPRA DE ESTAMPILLAS N.º..... Tarjetas Rol N.º.....	
COMPRADO POR CUENTA DEL PATRON					Don <u>MR. JOHN SMITH</u>	
Domiciliado en <u>123 KING ST.</u>					para la actividad <u>DOMESTIC SERVICE</u>	
(Agricultura, industria, minería, madería, construcción, comercio, etc.)					ubicada en <u>123 KING ST.</u>	
la cantidad de <u>9 PESOS 94 CENTAVOS</u>					la cantidad de <u>9 PESOS 94 CENTAVOS</u>	
Valor total de la compra. <u>9.80</u>					<u>\$ 9.94</u>	
Uno por mil sobre salarios, Ley 6528. <u>14</u>					correspondiente al mes de <u>SEPT. 1942</u>	
TOTAL <u>9.94</u>					Firma del comprador <u>John Smith</u>	
					Timbre del Cajas <u>15 de Septiembre de 1942</u>	

<sup>1</sup> The right-hand portion of the form, the employer's receipt, is not shown; it is practically a duplicate of the right-hand side of the sheet reproduced here.

form the basis of the reporting system. Every employer must report to a health insurance fund when he hires a worker and when a worker leaves his employ. The form on which he makes his report has two parts. He keeps one section for his records; the other, containing relevant information on the employment status of the worker, is held by the fund and used to determine the worker's wage class. Agricultural employers use special forms, and those who employ seasonal agricultural workers may substitute a list, submitted to the fund once a month, showing the names of the workers and the number of days each has worked.

From these employer reports the fund keeps a detailed record for each worker, showing wage class, date of entering employment and of separation, and contributions paid. The wage reports and contributions are due in general each month, though certain employers, such as those in agriculture, may pay bimonthly or quarterly. In collecting the contributions, four variations of the pay-roll reporting system are used:

1. An employer of 1, 2, or 3 workers receives once a year from the fund a booklet containing 12 forms, which constitute specially printed checks or money orders. Each month the employer fills out and returns one of these forms. The booklet also contains a schedule of the contributions payable for each wage class for the number of days worked up to and including 31 days. Employers of agricultural laborers and domestic servants, and professional men, such as doctors with one assistant, pay contributions by this method.

2. For an employer of as many as 5 persons, a booklet like that for the very small employer is used, but the forms are slightly larger to include information on more workers. In general, the large health insurance funds fill in the necessary information from their records before the book is sent the employer, who then needs enter only the additional information—the date a worker was separated from employment, for example—and the amounts paid.

3. For a medium-sized firm, the fund makes up a special form each month, listing the employees. The employer makes the necessary addi-

tional entries on the form, which has space for some 20 names, and returns it with his contributions to the fund.

4. For a large firm, the fund maintains a ledger containing information for each employee. An identical book is kept by the employer, and each month an official of the fund visits the employer and verifies the required information.

The fund gives each insured worker a social insurance book, which is  $4\frac{1}{2}$  x  $6\frac{1}{4}$  inches and contains 26 pages. The account number and the name of the worker, his date and place of birth, and other information are entered on the first page, a carbon copy of which is sent to the central health institution. The book has 3 pages of information and instructions and 16 pages of 72 lines, in 4 columns of which the employer fills in the date the worker entered employment, the name of the insurance fund, the date the employee left the job, and his own signature or identification mark. The last 3 pages of the book are reserved for the use of the insurance fund in entering the worker's employment history if his previous book is completely filled or is lost or mislaid.

This book constitutes the worker's permanent evidence of his continued insurability. Although he must deposit it with the employer when he takes a job, he need not leave it with him. When he leaves the job, however, he must present the book to the employer so that the date of exit may be recorded. Neither the worker's wage nor his wage class appears on his social insurance book.

Collection of contributions and wage reporting under the plan for salaried employees is even simpler than under the workers' plan. The salaried employee has no social insurance book for either old-age insurance or health insurance. All forms sent in by the employer to report entry into and exit from employment and change of employment conditions are signed by both the employee and the employer. The General Pension Institution makes out a second form bearing the necessary information and sends a copy to the employee, who is thus able to keep a continuous record of his insurance status. The employer sends his contributions monthly to the General Pension Institution.

## France

France is one of the two countries (Hungary is the other) that have established a separate system for agricultural workers. Domestic workers, however, are included in the general system with some modifications.\*

Up to 1930, a stamp system was generally used for collecting contributions and worked satisfactorily under a voluntary insurance system. Contribution rates were low, the danger of fraud was small, and errors were kept to a minimum by the use of a single annual contribution card to which the stamps were affixed. Beginning with 1928, however, France greatly extended its social insurance system. The amendments of 1930 introduced wage classes, flat contributions, and different methods of stamping for old-age insurance and for sickness insurance. With the increase in the contribution rates, the danger of fraud grew. Errors also increased as the types of stamps and contribution cards were changed. Administrators of the program felt, moreover, that the system of wage classes was contrary to the principle of equity and increased both the chances of fraud and the difficulties of administration.

As a result, the pay-roll reporting system was gradually introduced, and in 1935 the stamp method was abolished for the normal collection of contributions, and with it the wage-class system. Under the 1935 change, a majority of contributions were paid on a percentage-of-wage basis, reported on a quarterly contribution card.<sup>6</sup> Payments for old-age and sickness insurance were combined and made by cash or postal order. The stamp system, simplified by the use of ordinary postage stamps, was permitted for certain groups for whom the pay-roll method seemed impracticable—piece workers, home workers, intermittent workers, per-

\* See also the author's "Collection of Old-Age Insurance Contributions and Recording of Wage Data in France" in *Social Security Hearings before the House Ways and Means Committee, 1939, Vol. 2*, pp. 1238-1245. For a summary of the wartime revisions, see "Changes in the French Social Insurance Scheme," *International Labour Review*, Vol. 16, No. 1 (July 1942), pp. 88-91.

<sup>6</sup> See Fooner, Michael, "The Use of a Stamp System for Social Insurance in France," *Social Security Bulletin*, Vol. 2, No. 6 (June 1939), pp. 18-22.



sons working for several employers, and in the agricultural plan.

Originally the agricultural system used the same five wage classes for contributions and benefits as were established in 1930 for workers in industry and commerce, but the contribution rates were lower and the contribution was divided into two parts. A flat contribution of 10 francs a month, divided equally between worker and employer, was assessed for health insurance; for old-age insurance, however, the contribution was set at 4 percent, half payable by the worker and half by the employer. Under the decree law of October 1935, the dual contribution was abolished and rates were set according to three classifications: children under 16, women, and men. An additional classification—adults earning more than 12,000 francs annually—was set up in June 1938, and the first category was expanded to include apprentices, students, and handicapped employees. The four-class system became effective January 1, 1939. The 1939 contribution schedule for agricultural workers is shown in the following tabulation; the amounts, half payable by the worker and half by the employer, are given in francs.

Class	Total amount (in francs)		
	Daily	Monthly	Annually
Children up to age 16, apprentices, students, et cetera.....	.60	12	144
Women.....	.80	16	192
Men.....	1.00	20	240
Adults earning more than 12,000 francs a year.....	1.50	30	360

Although the rate of contributions for agricultural workers is different from that for workers covered under the general system, the same methods are used, in general, for recording the wage data and making payments. The worker in industry and commerce whose contributions are made by the stamp method has two leaflets—a stamp leaflet and a quarterly reporting leaflet, containing his name, address, registration number, employer's name and address, and the total amount of wages and contributions paid for the quarter. Workers in agriculture get a combined quarterly

and stamp leaflet with space for as many as 60 stamps. Instead of reporting the amount of wages for the quarter, however, the agricultural leaflet reports the number of days and months worked.

Employers in agriculture pay their contributions in practically the same way as employers under the general system. The employer is responsible for paying the joint contribution and deducting the worker's share from his wages. Instead of sending in the employee's quarterly report and stamp leaflet to the post office at the end of the quarter, however, agricultural employers may file reports and make payments in stamps, cash, or postal order through agricultural mutual-benefit societies.

The operation of the agricultural system through these mutual-benefit societies and the separate schedule of contributions for agricultural workers raise problems when insured workers work alternately in industry and agriculture. The type of insurance fund to which the worker belongs is determined by his principal employment, which in turn is determined by the time spent in that employment during the current year. If there is any doubt, the worker is insured under the general system. To compute his benefits, certain coefficients are used to determine the value of the different types of contributions.

All domestic employees are insured under the general system, whether they work for farmers, whether they receive board and lodging, or whether they are hired for one time only, work intermittently, or work for several employers permanently. They pay a flat rate of contribution, which varies with the size of the community and sex of the worker.<sup>7</sup> The following tabulation shows the contribution schedule<sup>8</sup> which went into effect in 1939 for domestic employees; the amounts are in francs, half paid by

<sup>7</sup> For a more detailed analysis of the problems involved in insuring domestic workers, see "Les Assurances Sociales et les Gens de Maison," *Bulletin Mensuel des Allocations Familiales et des Assurances Sociales* (Comité Central des Assurances Sociales), April and May 1937.

<sup>8</sup> Based on 8 percent of an annual salary computed as follows: cities of more than 80,000 population—8,400 francs for men, 4,800 francs for women; other places—6,000 francs for men, 3,600 francs for women.

the employer and half by the worker.

Class	Total amount (in francs)			
	Daily	Weekly	Monthly	Annually
Paris, Department of the Seine, and cities of more than 80,000:				
Men.....	1.90	12.80	56	672
Women.....	1.10	7.40	32	384
Other places:				
Men.....	1.40	9.20	40	480
Women.....	.80	5.60	24	288

### Great Britain

Great Britain enacted compulsory health insurance in 1911 and in 1925 added a system of widows', orphans', and old-age insurance benefits.<sup>9</sup> Agricultural and domestic workers are included on the same basis as industrial and commercial workers.<sup>10</sup>

A stamp system and flat-rate contributions, varying for men, women, and children under 18 years, characterize the British plan. Every employed person in Britain is required to obtain a contribution card, which he must deliver to his employer when he takes a job or whenever the employer may reasonably require it to pay contributions or to submit to an inspector or other authorized person. If the worker fails to produce a card when the contribution is to be paid, the employer must use a special emergency card obtainable at any post office.

As in most stamp systems, the employer is responsible for making the joint payment and deducting the worker's share from his wages. Delegation of the stamping procedure to an employee or agent does not relieve the employer of his responsibility.

<sup>9</sup> For the British Government's current proposals for a comprehensive system of social insurance, see "The British White Paper on Health," *Social Security Bulletin*, Vol. 7, No. 3 (March 1944), pp. 12-18, and "A Social Security Plan for Great Britain: The Government's White Paper," Vol. 7, No. 11 (November 1944), pp. 27-35.

<sup>10</sup> Though, for unemployment insurance, contributions and methods of payment for agricultural workers are similar to those described here, the amount of both contributions and benefits is lower than for industrial and commercial workers and is specified in a separate law. See the author's *Unemployment Insurance and Agricultural Labor in Great Britain*, Social Science Research Council, Committee on Social Security, Pamphlet Series No. 2, 1940.



The insurance stamps are on sale at all post offices, and post office authorities will, if requested, give an official receipt provided the value of the stamps amounts to not less than £1 and that the number and value of the stamps of each denomination are entered by the purchaser on a form supplied by the post office or on a private form prepared in duplicate. Stamps other than the proper insurance stamps must not be used, and heavy penalties may be incurred for the use of canceled or defaced stamps, or those that have already been affixed to cards.

As an alternative to the use of adhesive stamps, employers who obtain permission from the proper authorities may use machines for impressing stamps, by means of metallic dies, on the contribution cards of regular employees.

Ordinarily the contribution for any period—week, fortnight, or month—must be paid by stamping the card when the wages for the period are paid. On certain occasions, however, the card must be stamped in advance of the payment of wages. For example, within 6 days after the current card expires, it must be fully stamped to the date of expiration although the wages may be paid later. Or when the employment terminates, the card must be stamped to that date and returned to the worker, although he may have to come back later for his pay. Moreover, the worker has the right at any time, subject to 48 hours' notice, to demand that his card be stamped in payment of all contributions to date.

When wages are paid for periods of less than a week (for a day, that is, or so many hours, or for the job) the card must be stamped and given to the worker before he leaves, even though the wages have not yet been paid. If a person works in a covered job solely for wages in kind, the employer must stamp a card on the first day of employment of each week.

An employer of several regular workers may, by agreement with his employees, keep their current cards. He may then deposit with the Insurance Department, in regular installments, a sum sufficient to meet all contributions payable while the card remains current. At the end of the period the employer receives from the

Department stamps representing the value of the deposit and must stamp the cards in payment of all contributions due for the period. Though an employer who makes such a deposit is deemed to have paid the contributions when due, he is required to stamp and return the card of any employee who leaves his employ or who requests that it be stamped.

It is also possible, under certain conditions, for employers of a substantial number of regular employees to make arrangements whereby, on payment of a deposit, the cards may be stamped in the week following that in which the wages are paid.

After affixing the stamp the employer must immediately cancel it. He may write the date in ink across the stamp, but the preferable and practical method is to use a metallic die which stamps the date in indelible ink. In no circumstances must the stamp be canceled before it is affixed. For his own protection the employer may have his stock of stamps perforated if he obtains the permission of the Insurance Department and complies with prescribed conditions.

The worker keeps his own card unless he and the employer have agreed that the employer shall keep it while it is current. If the worker keeps it, the employer must return it to him as soon as it is stamped. If the employer keeps it, he is responsible for its safety and for stamping it regularly at the proper time. He must also return it to the worker if the latter leaves his employ; or if the worker requests its return; or on the expiration of its currency or within 6 days thereafter. On returning a card, the employer may demand a receipt if he sees fit. When for any reason other than its loss or destruction the card cannot be returned to the worker, or if a worker dies while the employer has the card, the employer must send it promptly to the Insurance Department.

#### *Other Countries*

In Germany, agricultural wage workers and domestic employees are covered by workers' old-age, survivors', and disability insurance. A separate system covers all salaried employees. Up to World War II, contributions were collected by means of a stamp system, and a wage-class

system was used for assigning contribution rates. Health and unemployment insurance contributions for industrial and commercial employees were not collected by means of the stamp system but rather through lists similar to those now used in old-age and survivors insurance in the United States. During the war the pay-roll list system has been substituted for the stamp system; stamps are used only for voluntary insurance and the compulsory insurance of independent workers—groups which have no employers and for whom the problem of multiple deductions for contributions does not arise.

Hungary, like France, has a separate old-age insurance system for agricultural workers; it is limited to men over age 18 and administered by a National Institute of Agricultural Insurance. The worker contributes a flat amount of 20 fillér a week. The employer's contribution is set at a certain percentage of the land tax and collected as a supplement to that tax; but if the taxable income of any property is less than 100 kronen a year, the employer pays no contribution. The State and the municipalities also contribute to the system.

Italy covers both agricultural and domestic employment under its old-age, survivors', and disability insurance system. Contributions are levied according to wage classes: 9 classes for salaried employees paid on a monthly basis, 10 for workers paid weekly, and 2 for agricultural workers. These 2 classes consist of persons who work regularly in agriculture, and agricultural day workers. For both classes the contribution schedule is further subdivided between men and women; for day workers, all girls and boys between 14 and 18 years of age are included with the women.

Before the war, the stamp system was generally used in Italy for collection of contributions. Available information indicates, however, that in certain cases pay-roll reporting is allowed and, for agricultural labor, collection through the regular system of direct taxes. There seems to be no special adaptation of either the contribution schedule or methods of collection for domestic workers, though up to 1939 their contributions

were graded according to the size of the commune where the work was performed, with variations by sex and by full-time or part-time work.

In the Netherlands both agricultural workers and domestic workers are included in the general system. Contributions, which are paid only by the employer, are collected by means of stamps and in accordance with a schedule which is, in effect, a mixture of wage classes and flat rates. The schedule, which consists of five classes for men and four for women, assigns rates by age, though modifications are made for the character of the employment and method of remuneration.

Contributions are assessed, in general, on a weekly basis, and stamps are affixed to the worker's stamp card each week; for employment of less than 4 days in a week, however, the employer may pay contributions on a daily basis. The stamp cards are issued annually to each worker and

returned at the end of the year to the State Insurance Bank, where the record of contributions is kept.

The U. S. S. R. extends insurance coverage to certain agricultural undertakings as well as domestic employment. Contributions are paid entirely by the employer. According to available information, the employer of agricultural labor makes all payments to the credit institution selected by the insurance fund. The stamp system is used for domestic workers, and rates are assessed in accordance with a five-class system based on the employer's income. A distinctive feature of the stamp system in the U. S. S. R. is that both employer and worker have stamp books. The insurance stamp is in two parts, and the employer affixes one part in his book and the other in the worker's.

Under the Peruvian social insurance system, more than 70 percent of the 200,000 persons insured in 1942 were

agricultural workers. Contributions are collected by stamps in accordance with wage classes. For employees who work regularly for one employer, a four-page stamp card<sup>1</sup> is available with spaces for stamps for each week in a 1-year period. For employees who work for more than one employer, a book with several pages is available.

A number of countries which do not cover agricultural or domestic employees under their social insurance programs use, nevertheless, the stamp system for industrial employees; this system, they feel, will enable them to extend coverage very simply on the same basis to agricultural or domestic employees. Canada uses a stamp book in conjunction with wage classes under its unemployment insurance program. An unusual feature of the Canadian system is that each stamp is divided into six parts so that one-sixth of a stamp can be affixed in the employee's book for each day he is employed.

## Merit Systems in the Social Security Program

By Oscar M. Powell\*

ONLY NINE STATES had State-wide civil-service systems when the Social Security Act was passed in 1935. The original act contained no specific provision requiring States to establish and maintain personnel standards on a merit basis as a condition of Federal grants for State programs. From early 1936, when grants to the States under the act first commenced, until August 1939, such efforts as the Board made to develop merit-system standards were under the authority of the general provisions contained in titles I, III, IV, and X of the act, which imposed on the Board the necessity for findings on methods of administration necessary for the proper and efficient operation of the State programs. During this period merit systems were voluntarily adopted by 28 unemployment compensation agencies and by 7 public assistance agencies, in addition to those which were operating under State-wide civil-service laws.

In August 1939 Congress provided that after January 1, 1940, these ad-

ministrative methods must include "methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods." This clause was inserted parenthetically, and, like the more general earlier wording, was made subject to Board interpretation through the specific language, "as are found by the Board to be necessary for proper and efficient operation." So that the States might know with some definiteness what the Board would consider as acceptable methods, work on a statement of standards was commenced immediately after the enactment of the 1939 amendment and the statement was issued as of November 1, 1939.

Both the States and the Board realized that the interval before January 1, 1940, was too short for the States to do all that was needed to bring merit systems into full operation. For that reason, the States were asked to indicate by January 1, in general terms, their intention

to establish and maintain methods in accordance with the November 1 standards. In good time all States did agree. I think this agreement was due in no small part to the care which had been taken in devising the standards. They did not spring fully developed from a few weeks' work, but evolved from the continuing study begun in the spring of 1936. I think, too, that they were accepted because the final product incorporated only those principles generally considered axiomatic.

This paper compliance, however, was by far the smallest and perhaps in many respects the least important part of the job to be done.

Not long before Congress enacted the 1939 amendment, the President of the United States had issued an Executive order requiring establishment of personnel departments in all agencies of the Federal Government. This action drained off into the Federal service a large number of the persons technically equipped in the personnel field. Only a limited crop was left to the States for discharging the responsibilities which they had undertaken by reason of the amendment. The Board's efforts to assist the States in meeting the inevitable administrative difficulties which faced them were of two kinds. Our first job was to point out again and again, and then to reiterate, the need for developing

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strong merit-system councils and merit-system supervisors by selecting people with a high sense of public duty and with courage and integrity. Our second job was to try to acquaint these people, many of whom had had no experience in the field, with the principles and methods underlying merit-system administration. The accomplishment of these tasks will stand for a long time to the credit of the personnel responsible for the job. The foundation then laid has been, in my opinion, largely responsible for such success as the States and we have had in this joint undertaking.

I mentioned principles underlying merit-system administration. Perhaps I should have said "principle," in the singular. Actually, what the Board and the States are after is to attract and select and retain the very best of the people who are available. Unless we are able to get the best, and keep them, the public service will suffer; the taxpayer will not get all that his money entitles him to, nor will the people for whose benefit these social security programs are devised get the quality of service which they have a right to expect.

We have elaborated this principle in our standards; the several specific topics treated are not much more than elaboration and method for obtaining this principal end. We speak of jurisdiction, of organization, of nondiscrimination, and limitation on political activity; of classification plans and compensation plans; of recruitment, examination, appointment, promotion, furlough, and separation of personnel; of service ratings, personnel records, and reports. But when we sift and analyze these particulars we come out with this, as I see it: We should like to have the administration of personnel matters so ordered that well-qualified, competent people will consider the public service as an attractive career. We should like to see public servants selected through the best possible combination of written and oral examinations and the rating of training and experience. We should like to see equal pay for equal work and the chance to promote and safeguard those who perform satisfactorily in accordance with their demonstrated competence on the job.

Before December 1941, our operations—and when I say "our" I mean the operations of the States and the

Board—were easy in comparison to those since that date. True, we had trouble in getting the systems set up and manned by competent personnel. Nor was the basic principle of merit-system administration universally accepted without argument. But it is also true that we were operating in a buyers' market. With the beginning of the war and the demands by the armed services, the war agencies of the Federal Government, and the war industries, this buyers' market ended. The market became tighter and tighter, and the States' difficulties in keeping good people and getting competent replacements increased as time went on. They were in the same predicament as we.

As we observed the difficulties the States were experiencing, it became apparent that relaxation of some standards was necessary. Several steps were taken by the Board to make it possible for the States to maintain at least a minimal staff in competition with the other governmental agencies and the war industries.

For the duration of the war States may, if they wish, stimulate competition by waiving absolute requirements of education and experience for admission to examinations; or, if competition is not feasible because of labor-market conditions, they may appoint qualified people without competitive examination. Allowance was made in Federal grants to States for salary increases to compensate for increases in living costs. Thus the State agencies with which we do business could make their jobs more attractive financially.

These and other modifications and relaxations of standards, like those which I have specifically mentioned, have been designed to permit more flexibility in administrative practices during this time of stringency. We have attempted, however, to preserve the basic idea of attracting, getting, and keeping in the public service the best people who are available. We still think it is a good idea for public servants to be educated and to have had experience. We think it a good idea, even during war, to select them, wherever possible, through a competitive process: through an examination consisting of a written objective test of intelligence and knowledge of subject matter, an oral examination to test personal qualities and characteristics, and rating of training and

experience. We still think it a good idea that the passing points on these examinations be so fixed in relation to labor-market conditions as to exclude the relatively unfit and to arrange in order of competence those persons best able to serve. But we have had to face the fact that there are not as many or as well qualified people available now as in normal times. The relaxations were made with the realization that when the war is over the public will be better served by providing public employment opportunities for the group which will then be available and perhaps better qualified.

These several relaxations to which I have referred have, I think, helped the States to operate with a reasonable degree of effectiveness. Comparing the State's situation with that of the Board as to lists of availables, turn-over rate, and other pertinent factors, the advantage seems to be with the States. Certainly they are in no worse position than we, nor have they been.

Both the Board and the States are going to have later troubles. The Board has about 5,000 positions to which former employees will be entitled after the war—more than half the jobs now filled. Some States are in almost as bad a fix. We are filling positions, and in the future will fill positions, in accordance with the terms of the Starnes act. Undoubtedly State legislatures also will—and should—pass laws granting preferences of one kind or another to persons returning from the armed services. Fortunately for the civilian public service, the number of returning veterans after this war will be much greater than that after the last war. It follows, of course, that there will be many among these veterans who will want to enter or reenter public service and who are well qualified. The Board has recently endorsed recommendations of the Civil Service Assembly concerning the direction which State veterans' preference legislation might well take. It is to be hoped that whatever the States do for the veteran will be done in the light of the general public good; that whatever legislation is passed, the principle of choosing, within reasonable limits, the persons best qualified to serve the public will be maintained.

After the war, we and the States



should have ample opportunities to recruit to normal peacetime strength with well-qualified, competent people. Meanwhile we have reason to believe that even under adverse conditions the positive aspects of good personnel administration are gaining acceptance. This makes it increasingly possible for us to spend less time in the activities that are designed to safeguard the possibilities of abuse. We cannot, however, abrogate our responsibility of making findings in strict accordance with the facts; for the Board's role in merit systems includes what might be called a policing function. That is, in this as in other aspects of the program, the Board carries statutory responsibility for seeing that Federal funds are expended only in accordance with the conditions which Congress laid down in authorizing Federal grants to States. When these conditions are not met, the Board has no alternative but to withhold Federal funds for a particular purpose or even to stop all Federal grants for a State program. That drastic step has had to be taken only rarely in the Board's history.

While I am sure that none of us in the Board feels wholly satisfied with our record of Federal administration of the act—in my dictionary self-satisfaction and dry rot mean the same thing—I believe that the basic standpoint from which the Board has viewed these responsibilities has helped us to avoid many "bureau-

cratic" blunders which would have held back the development of the State-Federal programs. In our "policing" functions as in all other functions of the Board, we must be guided by the objectives and purposes of the programs which are served by the joint efforts of Federal and State personnel. We—the personnel—are, of course, only a means to an end.

Unemployment compensation, which insures against wage loss due to involuntary unemployment, and public assistance, which provides money for certain groups of people who are in need, serve both individuals and the society in which they live. They help to secure society by ameliorating the results that follow from the lack of money in the hands of people who live in an economy where the possession or lack of money spells the difference almost between life and death. The social purposes of the programs are served by using the money effectively, not by saving it; by putting money into the hands of people when they need it, not by depriving them of the benefits or assistance which the program is intended to supply.

Certainly we, as public officials, should see to it that the money is spent only for the purposes for which it was appropriated. Certainly we should take exceptions to payments which are made contrary to the requirements of the Federal act as interpreted by the Board (and in the personnel field, to payments resulting

from violation of State law), but equally as certainly, we should be guided in our actions in this respect, as in all others, by an understanding and appreciation of the objectives of the legislation under which we operate. We should realize that these purposes are served only incidentally through our policing functions, and that our chief aim and major responsibility should be to see to it that people get aid when they need it and are entitled to it, and that exceptions in themselves are a means and not an end.

In a government such as ours, where the lawmakers, the devisers of high policy, are selected periodically by the people, and where likewise the top executive positions are filled periodically through the electoral process, there is a need for a continuing corps of qualified permanent civil servants who can do, and do well, the tasks that have to be done within the policy framework established by legislative and executive action. There has been too great waste in this country of time, money, and effectiveness in the public service through inefficient selection and political turn-over. Despite its inadequacies and the difficulties in its application, the merit principle has made one of the most valuable and lasting contributions to our political economy. Despite its shortcomings, I have heard no suggestion of a substitute that would seem to serve as well.

## State Aid to Veterans

By Franklin Aaronson and Hilda Rosenbloom\*

IN THIS COUNTRY, responsibility for aid and relief to persons injured in the defense of the community was first assumed by the several colonial governments. With the formation of the Nation in 1789, these colonial functions were largely transferred to the Federal Government. As the years passed, however, a series of State laws was enacted, largely supplementing the Federal legislation and granting services and aid to veterans and their survivors. These State laws followed no predetermined pattern but grew as needs and pressures demanded. The result has been uneven—comprehensive protection for veterans in some States and an almost complete

lack of State veterans' legislation in others.

State benefits have included both payments in cash or kind and non-monetary privileges, such as certain tax exemptions and employment preferences. Pensions in a few States, small bonuses or bounties in isolated instances, care in State soldiers' homes for indigent or disabled veterans, veterans' relief payments, and burial benefits for indigent veterans and their dependents have comprised the benefits in cash or kind. The State laws have been similar to but not identical with the broader Federal program.

State expenditures for veterans and their dependents or survivors are small, however, in comparison with those under the Federal laws. While

no statistics are available on the costs of the services or privileges provided for veterans under State laws, information on the amounts spent in the States for veterans' cash benefits is available from the Bureau of the Census reports of State finances. In 1943 such benefits amounted to about \$20 million, in contrast to the \$450 million expended by the Federal Government for aid to veterans. It would seem unlikely that State expenditures will increase substantially in view of the comprehensive Federal program already in operation.<sup>1</sup> The States' laws in effect for World War II veterans make considerable provision for services, rather than benefits in cash or in kind, and a large portion of any increase will probably represent the cost of services.

Until the first World War, indigent

<sup>1</sup> For an outline of the "G. I. Bill of Rights," see the *Bulletin*, July 1944, pp. 3-13.

\*Bureau of Research and Statistics, Division of Coordination Studies.



and disabled veterans were the two groups usually cared for under State laws. Eligibility for benefits under State laws, as for Federal benefits, was related to service in specified wars, although in a few States benefits were made available to "veterans of any war in which the United States was engaged." Wives and widows married prior to a certain date or living with the veteran for a specified period of time were also often included as eligible for benefits. In general, State legislation in effect before that war served as a basis for formulating State programs for veterans of World War I.

Indiana and Kansas extended existing benefits to World War I veterans by means of a general extension clause for all State benefits; Minne-

sota extended the benefits to disabled veterans only. Other States passed legislation extending specific benefits. Indigent or disabled veterans and their dependents were thus entitled to certain tax and license exemptions in 41 States, relief in their own homes in 26 States, and expenses for burial in 32 States. In 22 of the 26 States in which relief was provided, and in 3 States without special veterans' relief legislation, care in a State soldiers' home was also obtainable. States which provided relief to veterans generally provided payment or reimbursement of burial expenses.

New types of benefits were also provided for World War I veterans in all States which had previous veterans' programs. Some of the 34 States with employment-preference provisions en-

acted them for the first time after the war and applied them retroactively to veterans of earlier wars. Bonus payments, previously paid only in isolated instances, were made available in 20 States. Educational benefits for veterans (16 States) and for their orphans (34 States) were an innovation, as were several other types of benefits, e. g., land settlement privileges (14 States), loans for specified purposes (6 States), and State hospital care for certain ailments (11 States). Thirty States made provision for the establishment of a veterans' service office to give information and assistance to veterans with regard to their benefit rights.

Although the majority of State legislatures met in only one regular and at the most two special sessions be-

Table 1.—Types of services and benefits available to veterans of World War II, under State laws, by State, as of January 1, 1945<sup>1</sup>

State	Veterans' service office	Employment preference	Tax exemptions	Loans	Educational benefits		Bonus	Care in State institutions		Relief	Burial
					Veterans	Children of veterans		Homes	Hospitals		
Total.....	19(X) 17(XX)	20(X) 12(XX)	16(X) 20(XX)	4(X)	10(X)	17(X)	(2X)	10(X) 10(XX)	4(X) 3(XX)	17(X) 7(XX)	13(X) 13(XX)
1 Alabama.....	X	XX	X								
2 Arizona.....	XX	XX	XX							X	XX
3 Arkansas.....	XX	XX								XX	XX
4 California.....	X	X	XX	X	X			XX	XX	XX	
5 Colorado.....	X	X	X					XX		X	X
6 Connecticut.....		X	X			X		X	X	XX	XX
7 Delaware.....	XX		XX			X					
8 Florida.....	X	X	X								
9 Georgia.....	XX	X	X								
10 Idaho.....		XX	X							X	
11 Illinois.....		X			X	X		X	XX	X	X
12 Indiana.....	X	XX	XX			X		XX		X	X
13 Iowa.....			XX					XX		X	XX
14 Kansas.....		X	X							X	X
15 Kentucky.....	XX		XX								
16 Louisiana.....	XX	XX									
17 Maine.....			X			X				X	XX
18 Maryland.....	XX									XX	XX
19 Massachusetts.....		X	XX		X	X		X		X	X
20 Michigan.....	X	X	X		X	X		XX	X	X	X
21 Minnesota.....	X	X	X			X		X		X	X
22 Mississippi.....	X		XX								
23 Missouri.....	X				X				XX		XX
24 Montana.....		X									XX
25 Nebraska.....			X					X			XX
26 Nevada.....	X	XX									
27 New Hampshire.....	X	X	X	X		X	X	XX		XX	X
28 New Jersey.....	X	X	XX							XX	XX
29 New Mexico.....	XX		XX								XX
30 New York.....	X	XX	XX		X	X				X	XX
31 North Carolina.....		X				X					
32 North Dakota.....	X	XX						XX		X	
33 Ohio.....	XX		XX					X			XX
34 Oklahoma.....		X	X		X	X			X	X	X
35 Oregon.....	X	XX	XX	X						X	X
36 Pennsylvania.....	XX	X	XX					X		XX	X
37 Rhode Island.....	X	X	X			X		X		X	X
38 South Carolina.....	XX	X	XX								
39 South Dakota.....	X	XX	XX	X	X			X			X
40 Tennessee.....	X	XX	XX								
41 Texas.....	X		XX		X	X					
42 Utah.....	XX		X							XX	X
43 Vermont.....	XX	X	X			X	X	XX			
44 Virginia.....	XX		XX			X					
45 Washington.....	XX	X						XX			
46 West Virginia.....	XX		XX			X				X	XX
47 Wisconsin.....	XX	XX	XX					X	X		
48 Wyoming.....								XX			

<sup>1</sup> X indicates that recent legislation has been enacted to provide the particular type of benefit; XX indicates that the legislation on the statutes prior to World War II has been extended to cover veterans of that war or that the laws can be interpreted to include such veterans.

tween the declaration of the present war and the end of 1944, it is already clear that the States intend to extend their legislation for World War I veterans to World War II veterans. In addition to the many State legislative committees which have been established to study State aid to returning veterans, all but 7 States have taken specific action, either extending coverage of present provisions or enacting new laws to serve a similar purpose (table 1).

Six States<sup>2</sup> have enacted general extension clauses; the Rhode Island clause went into effect only a few months after Pearl Harbor. Minnesota and Kansas provide a limited extension only; the Minnesota law extends benefits to disabled World War II veterans, and the Kansas law specifies that the extension applies only to tax exemptions, employment preference, burial benefits, and relief.

#### *Veterans' Service Offices*

Veterans' service offices were developed as an integral part of the State government to meet the needs of returning World War I veterans seeking information on the Federal or State benefits to which they were entitled or assistance in filing claims for these benefits. Before World War I, such assistance had been given through veterans' organizations which operated with or without State financial aid or had been included as one of the many functions of the State adjutant general's office. The office serving veterans and their dependents was set up in some States as an independent department and in others was included as a part of the State welfare agency.

At the outbreak of the present war, 30 States had some statutory provision for advice and special service to veterans. Illinois and Oklahoma provided an appropriation to maintain a service officer, but his duties were not spelled out in the statutes. Washington and Utah continued to make an annual appropriation to a designated veterans' organization, subsidizing its function of assisting veterans in proper filing of claims.

Inclusion of World War II veterans under provisions of the laws establishing the service offices is implied in 25 of the 30 State laws which relate to veterans of any war. Since Pearl

Harbor, however, 9 of these States and 10 others have enacted legislation either extending (2 States), modifying (5 States), or creating (12 States) veterans' service offices.

Of the 12 States which enacted new legislation, 5 had never provided such a service. California added this function to the many other duties of the Veterans Welfare Board. Colorado, Michigan, and Nevada set up independent offices. The Michigan law, unlike any other, specifically states that "the Office of Veterans Affairs shall not be empowered to file application for or to prosecute the claim of any individual for any benefit accruing to such individual under the laws administered by the U. S. Veterans' Administration" but is to serve as an information and coordination agency. New York authorized the appointment of county service officers in 1942, and a temporary commission has recently been authorized to study the feasibility of establishing a service agency in conjunction with the division of military affairs in the State government.

Half of the 12 States repealed existing legislation and enacted laws which more clearly defined the duties and powers of the service office. Separate veterans' departments were established in Minnesota and South Dakota. In New Jersey the functions and powers of the State service officer were transferred from the adjutant general's office to the newly created post-war department of economic development, while an attempt to authorize the creation of county administrative agencies was vetoed.

In addition to these newly created offices, Indiana, following the precedents of Washington and Utah, appropriated \$5,000 to be expended by the Disabled American Veterans, Inc., in assisting returning disabled service personnel in matters connected with the various services and benefits available to them.

There are still 10 States<sup>3</sup> in which veterans and their dependents have no recourse to a separate State agency, directly or indirectly, to obtain advice or assistance in filing claims for benefits to which they may be entitled. Returning veterans of these States may appeal for such assistance to representatives of the Vet-

erans Administration or to private veterans' organizations.<sup>4</sup>

#### *Employment Services for Veterans*

The U. S. Employment Service maintains in each State a central office and several local offices, each of which has one or more staff members assigned especially to the placement of veterans. While no State operates an employment service as such for veterans, most State vocational rehabilitation agencies do refer to prospective employers veterans for whom they have provided training. A few of the larger cities also include placement among their social services for veterans.

#### *Freezing Provisions in the State Unemployment Compensation Laws*

Prior to the effective date of the G. I. Bill all but 2 States had legislation which provided that rights of workers covered under the respective State unemployment compensation laws be frozen if they were inducted into the armed forces. These freezing provisions were designed to make available to workers whose military service has terminated benefit rights equivalent to those which they had prior to such service. When the G. I. Bill was passed, these provisions became inoperative in 5 States, and the provisions of 14 more States will expire in 1945 unless legislative action is taken. The G. I. Bill has removed much of the States' former liability for benefit payments. It is possible that many of the State provisions will be amended or repealed before the end of the war.

#### *Employment Preference*

Federal, State, and local provisions for preference in public employment are similar. The most recent Federal measure is the Veterans Preference Act of 1944 (Public Law No. 359) approved June 27, 1944. Under this act preferential treatment in the classified or unclassified Federal civil service or on Federal public works is

<sup>4</sup> The G. I. Bill authorized assignment of Veterans Administration personnel to Army and Navy installations to adjudicate claims of, and give aid and advice to, members of the military and naval forces about to be discharged or released from active service. Such advice and assistance before discharge may go far toward lightening the prospective demands on Federal and State service offices for veterans.

<sup>2</sup> Connecticut, Indiana, Kansas, Minnesota, Oregon, Rhode Island.

<sup>3</sup> Connecticut, Idaho, Iowa, Kansas, Maine, Massachusetts, Montana, Nebraska, North Carolina, Wyoming.

granted to veterans of any war, campaign, or expedition, to widows or widowers of disabled veterans, and to wives of disabled veterans who themselves are not qualified for civil-service appointment by reason of their disability.

Like the Federal system, State civil-service systems, although inaugurated many years after the termination of the early wars, phrased their preferential clauses to make them applicable to honorably discharged veterans of any war. By 1942, 34 States had laws granting preference in State civil-service employment or, more generally, favoring veterans for all public employment or on any public works project. In addition, most States gave veterans preference in the appointment of persons engaged in the State veterans' programs.

Most States, like the Federal Government, add 5 or 10 points additional credit to the veteran's score in civil-service examinations; a few States award an additional bonus ranging from 10 to 20 points.

Unlike the Federal law, at least 4 States<sup>9</sup> require that the veteran have a passing grade before he receives the additional credits. Moreover, only a few States allow experience in the armed forces to be listed as "experience" for a particular position. New Jersey grants additional points for such military experience.

In the States, as in the Federal service, preferential treatment is not limited to appointment but is extended to include transfers, retention, and reinstatement rights. States often grant preference in promotional examinations as well. The Texas statutes contain an unusual provision requiring at least 10 percent of the personnel of every State department to be veterans with preference.

State legislation with regard to employment preference for World War II veterans has been confined almost exclusively to an extension of existing laws. Within the past 2 years 10 States have extended civil-service preference,<sup>8</sup> 8 States<sup>7</sup> have extended such preference in public departments

and on public works, and 12 States probably will extend preference by interpretation of existing law. Four States<sup>6</sup> have yet to extend these benefits to World War II veterans. Two States granted or extended preferences for specific types of employment—New Jersey in school-district examinations and Pennsylvania for police-force employment. Vermont, for the first time, provided for veterans' preference in all branches of the State government.

The Colorado Legislature passed a joint resolution requesting the State civil-service commission and the merit-system council for county departments of public welfare agencies to promulgate such rules and regulations as may be necessary to grant returning veterans preference similar to that in the Federal civil service.

### Tax Exemptions

The Federal Government grants veterans an income-tax exemption on all payments made under Federal veterans' legislation, including insurance payments. All but 5 States<sup>5</sup> have at some time enacted legislation granting rather substantial personal tax exemptions to veterans of 1 or more of the major wars and to their survivors. Of the 43 States which have enacted legislation granting personal tax exemptions, only 2 do not provide exemptions in one form or another to World War I veterans; Louisiana specifically limits the exemptions to Confederate veterans, and in Arkansas the exemption was declared unconstitutional in 1937 as granting "to a class of citizens privileges or immunities, which on the same terms do not equally belong to all . . ."<sup>10</sup> Of the 7 States which give no exemptions to World War I veterans, 3—Arkansas, North Dakota, and Maryland—now exempt servicemen's pay and allowances. In 36 States—all but 5 of the States which grant tax exemptions to veterans of the first World War—World War II veterans are at present eligible for tax exemption either by reason of interpretation of existing law or through specific legislative enactment. Tax exemptions vary among the States with respect to time limits. In some cases, notably property taxes, the exemptions are

usually permanent; in other cases, particularly for personal income taxes, the exemption is usually limited to the war period and a short time thereafter. This article is concerned primarily with the provisions for veterans and only incidentally with the temporary arrangements for servicemen.

The most frequent exemptions for veterans of either World War are exemption of pension and war-risk insurance from State income tax and of the latter from inheritance tax, and exemption of veterans from the property tax (subject to an over-all property ownership limitation of about \$5,000), from personal, road, or educational poll taxes (often only on condition that the veteran have a disability rating of 10 percent), and from certain occupational and business licenses, including peddlers' and hawkers' licenses in many States. Illinois, Maryland, and Washington have also extended the time for payment of taxes, and Nevada and North Carolina have waived all occupational license fees for servicemen of World War II.

Of the 16 States which have enacted tax-exemption legislation for veterans of the present war, 6 have extended exemption from various license taxes;<sup>11</sup> 3 States<sup>12</sup> have exempted World War II veterans from payment of certain property taxes, and New Hampshire raised the exemption from \$1,000 to \$3,000 if the veteran is totally disabled from a service-connected injury. Some States have granted poll-tax exemptions. Maine and New Hampshire limited such exemptions to the duration; New Hampshire exempted widows of servicemen, and Vermont, wives and widows; and Nebraska limited such exemption to persons with service-connected disabilities. Kentucky has provided lifetime exemption from poll taxes for all persons who have served for 90 days in the present war and were residents of the State at the time of induction. Alabama, by means of a constitutional amendment, has abolished the poll tax for all war veterans.

### Land Settlement and Loans

Land-settlement benefits and farm and home loans were important features of the State programs for veterans of World War I. After that war,

<sup>9</sup> Arizona, California, Indiana, New Jersey.

<sup>8</sup> California, Connecticut, Illinois, Kansas, Massachusetts, Minnesota, North Carolina, Ohio, Rhode Island, South Carolina.

<sup>7</sup> Illinois, Michigan, Minnesota, Montana, New Hampshire, North Carolina, South Dakota, Washington.

<sup>5</sup> Iowa, Maryland, Texas, West Virginia.

<sup>6</sup> North Dakota, Missouri, Maryland, Illinois, Colorado.

<sup>10</sup> *Edelmann v. City of Fort Sumter*, 106 SW (2) (528).

<sup>11</sup> Alabama, Florida, Georgia, New Jersey, Oklahoma, Oregon.

<sup>12</sup> Idaho, Michigan, Oklahoma.



14 States, a majority of them in the West, passed land-settlement laws. The general legislative intent was to provide rural homes and useful employment, sometimes to World War I veterans only, sometimes to veterans of earlier wars as well, and sometimes to any loyal State citizen, with preference to veterans in both employment on and purchase of the land. The program was carried on in conjunction with the Federal Government; the States acquired additional land grants under provisions of the Carey act and often received Federal financial assistance in irrigating, reclaiming, and developing the property. Loans to prospective settlers for essential farm improvements were authorized in most States.

Mississippi and 3 of the 14 States with land-settlement provisions<sup>23</sup> granted loans for the purchase of homes and farms. Maximum amounts and the period of time over which the loan could be repaid were stipulated in the law. In Oregon the loan, ranging in amount from \$500-3,000, could be elected by the veteran in lieu of a straight cash bonus based on length of service and totaling no more than \$500.

Other loans to World War I veterans, without relationship to land-settlement or home-purchase benefits, were general assistance loans in the State of Washington and educational loans in Colorado.

None of this legislation automatically applies to veterans of the present war. California and Oregon, however, took steps during 1943 to extend to them the existing farm and home-loan benefits. California created a revolving, self-liquidating fund for loans to World War II veterans at 4-percent interest, to be amortized over 40 years. No veteran may receive benefits under this act if in purchasing a farm he would thereby become the holder of real estate exceeding \$15,000 in value, or, in purchasing a home, of real estate exceeding \$10,000.

In Oregon the legislature passed a joint resolution recommending amendment of the State constitution to allow the levy of an additional tax of 2 mills on every dollar of assessed value of property in the State, the money so raised to become the basis for an Oregon war veterans' fund from which loans could be made to

veterans for acquisition of farms and homes. This constitutional amendment was adopted in the November 1944 general elections.

During 1944, 2 States enacted legislation granting loans for purposes other than farm or home purchase. Like the general assistance loan in the State of Washington after the first World War but more specifically worded, a law in South Dakota authorizes an appropriation of \$50,000 to the war veterans' fund to be used for loans to veterans, their dependents or survivors, to tide them over while Government claims are being processed and adjudicated. The loan, not to exceed \$50 a month for 12 months, is payable to residents, and also to nonresidents if a reciprocal arrangement exists with the home State; it is to be repaid from benefits received under the Federal program for veterans.

Before the passage of the G. I. Bill, New Jersey passed a law which provides resident veterans, if they had 90 days' service and were not dishonorably discharged, with venture capital not to exceed \$3,000 at low rates of interest to assist them in establishing themselves in business or a profession. Although loans guaranteed under the G. I. Bill are broader in scope, covering purchase and construction of farms and homes as well as business property, the total amount guaranteed by the Federal Government is limited to \$2,000. The State loan, however, must be reduced within 3 years while the loan under the Federal act may run for 20 years.

### *Educational Benefits*

After the first World War, many States established educational benefits providing free tuition or cash grants or both for persons desiring to attend a secondary school or a business or technical school or college. Two specific groups were entitled to such aid—honorably discharged resident veterans and resident children of deceased veterans who died from service-connected causes. A few States also included children of severely disabled veterans. All but 9 States enacted legislation affecting either one (28 States) or both (11 States) of these groups. One-third of the State laws (16 States) contained veterans' educational provisions, and 34 State laws contained provisions for orphans. A

few of the laws expired about 1942, but most are still in effect.

Veterans' educational benefits in most instances consist of free tuition in any State-supported school. A few States provide an annual allowance designed to cover tuition and also maintenance expenses, books, supplies, and fees. At least 3 States relate the benefit to the State bonus payment: the North Dakota law specifically earmarks the bonus for either farm or home purchase, medical treatment, or educational use; Oregon requires a refund of an equivalent amount of the bonus for any benefit from the educational fund; and Wisconsin makes the educational bonus alternative to the regular bonus. Colorado is unique in providing only an educational loan up to a maximum of \$200, to be repaid within 5 years. The loan is interest-free for the first 3 years.

Educational benefits to orphans of World War I veterans are not only more numerous but also more liberal than those granted the veterans themselves. General eligibility requirements are minimal. Benefits usually apply to orphans between 16 and 22 but often extend beyond the maximum age until the course is completed. State residence requirements are usually either 12 months or 5 years. The privileges usually apply, as for veterans, only to State-supported schools.

The usual cash benefit is a payment of about \$150 a year to cover maintenance and school expenses. A few States allow only \$100; Massachusetts, Montana, Wisconsin, and Florida award between \$250 and \$300 a year. Louisiana, which allowed as high as \$350 to a student under certain conditions, repealed its law in 1942 and substituted a system of loans. The States with low cash awards often arrange for free tuition as an additional benefit; those with high grants expect tuition to be paid from the cash benefit.

Almost none of the educational benefits automatically apply to World War II veterans or their survivors. Before July 1944, when Federal educational benefits became available under the G. I. Bill, 12 States had already passed laws either extending World War I benefits to veterans of the present war or establishing such benefits for them. Four States extended benefits previously in effect; in Mas-

<sup>23</sup> California, North Carolina, Oregon.



sachusetts the definition of veteran was expanded, California appropriated \$300,000 to be used for veterans who desire to continue their education, Illinois extended scholarships at the normal school and the University of Illinois, and Texas authorized exemption of tuition and fees to Texas residents attending State institutions. In New York existing legislation was repealed, and a law was enacted authorizing the establishment of 1,200 war-service scholarships of \$350 a year for veterans of either World War; no maintenance allowance is provided.

Four States have established educational benefits for the first time. Oklahoma and South Dakota extended free public school privileges to veterans over age 21 up through the twelfth grade. The Oklahoma law, however, restricts free schooling to a period equivalent to the amount of time the veteran spends in the armed forces and makes it available only if the veteran otherwise would have completed his schooling by age 21. Montana has provided that all bona fide residents of the State at the time of entry into the armed forces shall have free fees and tuition in any and all units of the University of Montana, including the law and medical departments. Michigan provides moneys from a relief fund during the war period only, for use by returning veterans for educational purposes.

It is still too early to predict the effect of the comprehensive educational provisions of the G. I. Bill on present and future State legislation for veterans of the present war. Educational provisions of 2 States<sup>14</sup> which deny State benefits to any person entitled to assistance under a Federal law have been thus rendered inoperative.

Educational privileges for orphans of World War II veterans remain wholly a State responsibility. Of the 15 or so laws which related to World War I orphans and which expired during 1942 or 1943, 2 have been reenacted; the New Hampshire law retained the same coverage provisions, and the Maine law specifically extended the benefits to World War II orphans. Two other States have enacted new legislation in place of that no longer in effect. The West Virginia law, which is to be administered by the department of public assistance,

extends the benefits to orphans of the present war, increases the amount per child, exclusive of the free tuition, from \$150 to \$300, and increases the total annual appropriation from \$1,800 to \$5,000. In Minnesota, where orphans' benefits have been incorporated in a general law containing provisions for relief as well as for education, \$250 has been authorized for tuition of World War II orphans at certain specified colleges or trade schools.

In 11 States where original laws have not expired, an extension to World War II orphans has been effected. This was accomplished in 9 States<sup>15</sup> by specific legislation and in Rhode Island and Indiana by means of a general extension clause. In New York, where the original law was phrased so that it could be interpreted to apply automatically to World War II orphans without amendatory legislation, benefits have been extended to orphans of honorably discharged veterans who did not die from service-connected injuries, if there are insufficient eligible applicants from among children of servicemen who died in service or as a result thereof. For the first time, Texas granted tuition and fee exemptions in State institutions to children of persons who were killed in action or died while in service.

More than half of the 19 States which enacted legislation benefiting orphans of the last war have as yet done nothing to protect orphans of the present war. Thirteen States provide no benefits for orphans of either war.

### Bonus Payments

Although State bonus payments were known as far back as the days of the Indian and Civil Wars, when they were termed bounties, such payments did not become general until the first World War. During a few years following that war, some 20 States enacted legislation providing veterans with a cash payment, supplementing any Federal sum received, the amount to be directly proportionate to the length of service.

Most bonuses were payable to any person in the armed forces with an honorable discharge who had been a resident of the State prior to enlistment or induction. The usual bonus payable was \$10 or \$15 a month for

each month of service, with specified maximum payments ranging from \$100-500. The laws of Minnesota and Wisconsin specified a minimum payment of \$50. These, and 4 other State laws,<sup>16</sup> contained no specified maximums but were limited only by the period of service in the armed forces or the length of the war. Since Kansas paid \$1 for each day of service and North Dakota allowed \$25 for each month, bonus payments of these States approached \$800 in a few cases.

A majority of the bonus provisions for World War I veterans have either expired or been repealed. Whether or not States will enact legislation granting bonuses to World War II veterans on a similar scale is not yet clear. Under the Federal Mustering-Out Payment Act of 1944 (Public, No. 225, approved Feb. 3, 1944), discharged veterans receive \$100 to \$300, the exact amount depending on length and place of service in the armed forces. This act will probably affect future State bonus legislation in some degree. In 1943, before its passage, 3 States had already taken steps to provide bonus payments. In Rhode Island a committee was appointed by the Governor to study the feasibility of making bonus payments and the possible means of financing them. New Hampshire and Vermont went further and passed bonus laws. New Hampshire allows \$10 a month for each month of service up to a maximum of \$100 payable to the veteran or his heirs, the payments to be financed from a poll tax of \$3 per person. Vermont provides a similar payment with a \$120 maximum.

### Care in Domiciles and Hospitals

Domiciliary care has long been an important part of the State programs for aid to needy veterans. Thirty-five States maintain homes for needy veterans, and 26 of these admit World War I veterans. The remaining 9 States provide domiciliary care for veterans of the Confederate Army only. Of the 30 homes in the 26 States<sup>17</sup> providing care for World War I veterans, more than half admit also veterans' wives and widows.

Eligibility requirements for entrance to State veterans' homes in-

<sup>14</sup> Kansas, Michigan, North Dakota, Washington.

<sup>15</sup> California, New Jersey, Ohio, and Washington each maintain 2 homes.

<sup>16</sup> California, Connecticut, Florida, Illinois, Michigan, New Jersey, North Carolina, Vermont, Virginia.

<sup>17</sup> Minnesota and Kentucky.

clude residence in the State, usually from 1 to 5 years, prior to application for admission, and indigency combined with disability. One or two States permit any veteran to enter the home, providing he contributes toward his own support. A few States require the veteran to turn over to the home a portion of any pension money without regard to his total income. A wife or widow of an eligible veteran must meet additional requirements of a minimum age (about 50 years) and marriage for a specified period of time (10 years in most cases). A few women are admitted regardless of age if they are unable to support themselves or if their husbands require constant care. Seven States make special provision for caring for veterans' orphans, 6 in a separate home-school establishment<sup>18</sup> and 1, Kansas, in the Soldiers' Home itself.

State soldiers' and sailors' homes are not supported solely from State funds. By an act of August 27, 1888, last amended by Public Law No. 202, December 17, 1943, Federal payments to State homes are authorized in an amount of \$300 (increased in 1943 from \$240) for each disabled soldier and sailor of the United States forces who served in any war and who is disabled by reason of age, disease, or otherwise and is thus unable to earn a living. This sum applies either to domiciliary or hospital care. Thirty homes in 26 States are eligible to receive this financial assistance.<sup>19</sup>

Approximately half the State homes admit World War II veterans and their dependents by interpretation of the existing law. Two of these States<sup>20</sup> and 4 others<sup>21</sup> specifically extended admission privileges to this group in 1943.

However, even if the 6 States which now admit veterans of World War I but not World War II extend their facilities to the latter, veterans in 22 States will still be unable to receive care in any but Federal establishments. Nine of these 22 States maintain Confederate homes, and in 5 others Confederate homes were formerly operated. Oregon discontinued its veterans' home in 1931, and the conversion of the Rhode Island home

into a Federal veterans' hospital was authorized in 1943. Seven other States<sup>22</sup> have had no State veterans' homes for many years.

Although most State homes give some medical care on the premises, 11 States provide additional specialized treatment in State hospitals, either for inmates of State homes or for any veteran. Insanity and tuberculosis are the illnesses most frequently treated at State expense. For a period after World War I, a few States maintained rest camps and rehabilitation centers, which were partly supported from State funds. In general, however, war veterans requiring extensive hospital or medical treatment and unable to defray necessary expenses are referred to one of the 94 Federal Veterans Administration hospital facilities maintained exclusively for their care.

In 1943 Oklahoma extended the services of the tuberculosis hospital to World War II ex-service personnel and provided care for minor dependent children in a children's preventorium. Hospital benefits for all World War II veterans who have residence in Connecticut, though seemingly implied in the existing law, were assured with the passage of a general extension clause. Several States, among them North Dakota and Wisconsin, have set up veterans' post-war rehabilitation funds to help finance newly created rehabilitation programs or assist in coordinating those already in effect. In addition, Wisconsin has authorized an appropriation of \$300,000 to the Grand Army Home for the construction of a modern hospital unit. The Wisconsin General Hospital, which gives veterans admittance preference, in 1943 lowered the rates charged those admitted as private patients.

### *Relief and Burial*

Although every indigent veteran is entitled to public assistance in one form or another on the same basis as his neighbors by reason of his being an indigent citizen, or through special earmarking of part of general relief funds for veterans, no Federal law and only about half the State laws (26) specifically provide relief payments to indigent World War I veterans and their dependents as such. Where there is such special provision, State

relief to veterans is often administered through a department of public welfare or a special State veterans' welfare commission. As an alternative a few States make an annual appropriation to a veterans' organization, which then has authority to determine how and to whom funds should be disbursed. In some States the board of trustees of the soldiers' home is the administrative agency disbursing cash relief to persons who are eligible for admission to the home but for one reason or another cannot become inmates.

County and local aid may be given in place of, or in addition to, State relief. Funds are usually raised from a tax on the assessed valuation of all property in the county or subdivision and are administered by a soldiers' relief commission, composed of representatives of the various veterans' organizations.

In about half the States with veterans' relief laws, World War II veterans and their dependents are automatically entitled to veterans' relief. Seventeen States have passed specific legislation relating to them during the past year or so. Eleven States extended present provisions to the new veteran group, 3 through the general extension clause<sup>23</sup> and 8 by means of regular legislative measures.<sup>24</sup> Four States made minor changes in existing laws. Six States enacted laws having to do with emergency relief measures. New York extended for 1 year, until 1945, a measure which provides relief for sick and disabled World War II veterans who are out of regular employment for 14 days or longer and in need of assistance. Five States<sup>25</sup> have made provision for temporary emergency relief for short periods following a veteran's return home. One of the 5, North Dakota, had not previously enacted special veterans' relief legislation.

Within specified limits, burial expenses of a veteran dying within a Federal or State home are paid by the home. For any war veteran not dishonorably discharged who dies outside a Federal facility, the Federal Government allows up to a maximum

<sup>18</sup> Illinois, Indiana, Iowa, Maine, Ohio, Pennsylvania.

<sup>19</sup> Homes for Confederate Army veterans or their dependents are not eligible.

<sup>20</sup> Connecticut and Ohio.

<sup>21</sup> Illinois, Minnesota, Nebraska, South Dakota.

<sup>22</sup> Arizona, Delaware, Maine, Nevada, New Mexico, Utah, West Virginia.

<sup>23</sup> Indiana, Kansas, Rhode Island.

<sup>24</sup> Connecticut, Idaho, Illinois, Maine, Massachusetts, Michigan, Oklahoma, Oregon.

<sup>25</sup> Massachusetts, Michigan, Minnesota, North Dakota, Wisconsin.

of \$100 for burial and funeral expenses and the cost of transporting the body to the place of burial. In general, the States will assume the burial costs of a veteran who dies outside the State home only if he is indigent. State burial expenses for such indigent veterans are provided in all States where veterans' relief is obtainable and in 5 additional States.<sup>26</sup> Indiana is unique in not requiring indigency as a prerequisite for payment of burial expenses. The amount of burial benefit ranges from \$25 to \$200 (\$100 in about half the States) and is usually paid from county or local funds. Many States also provide burial expenses for indigent wives, widows, and minor children. Funerals may be conducted by relatives when desired, in which case reimbursement for expenses is made. Under no condition may burial be in a potter's field or paupers' burial ground.

Half the State laws relating to burial benefits apply to veterans of any war. New Hampshire has extended the provisions to cover members of the Coast Guard. One other State in which World War II coverage is implied (Connecticut) and 3 where it is not (Kansas, Minnesota, Rhode Island) provided the extension by means of the general extension clause. In addition, 8 States<sup>27</sup> specifically extended benefits to deceased veterans whose estate is insufficient to cover burial expenses. While extending coverage, Oklahoma reduced the allowance from \$150 to \$100, and Pennsylvania specified that the county contribution can be made only if the total funeral expense does not exceed \$400.

### Confederate Pensions

In most of the Southern States, honorably discharged Confederate veterans, indigent and unable to earn a living, who had been State residents for from 1 to 5 years, have been eligible for benefits, as have their wives or widows. Indigent mothers, daughters, or sisters of the veterans also have often received care in Confederate homes, while pensions, though generally not payable to dependents other than the widow, have

been granted in a few States to Negro servants or hospital matrons who served in the war. In 14 States, Confederate veterans and their dependents have been entitled to pension payments and 15 States have maintained Confederate homes.

Today the average monthly amount of Confederate pensions is at a peak, but not over-all disbursements, because of the small number of living pensioners (table 2). The payments range from \$10 a month in Arkansas to \$100 in Alabama, with a majority of States paying approximately \$50 a month. Widows receive from 40 to 80 percent of the amount paid the veteran, though in a few cases they are entitled to the amount received by their deceased husbands. Widow's pensions range from \$10 a month in Arkansas to a maximum of \$60 a month in Louisiana. The pension payments to Negro servants are lower, with yearly maximums of from \$25 in South Carolina to \$200 a year in North Carolina.

Although most Civil War veterans are well over 90 years of age, 2 States liberalized their pension laws during the past year. Alabama increased the allotment from \$65 to \$100 a month for veterans, almost double the maximum payment in any other State, and raised benefits for widows from \$30 to \$40 a month. Texas increased the payment to a couple from \$50 to \$80 a month and revised the widows' eligibility requirements so that a widow who had lived with a veteran for 9 (formerly 10) years preceding his death may receive a pension; the marriage must have

Table 2.—Pensions to Confederate veterans, 12 Southern States, by selected years, 1910–42<sup>1</sup>

[In thousands <sup>2</sup> ]				
State <sup>3</sup>	1910	1929	1936	1942
Total.....	\$5,746	\$19,071	\$8,643	\$5,090
Alabama.....	857	1,983	719	399
Arkansas.....	540	3,594	108	25
Florida.....	645	1,298	705	471
Georgia.....	938	1,665	1,156	602
Kentucky.....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	123
Louisiana.....	150	1,655	1,020	1,223
Mississippi.....	400	1,418	504	312
North Carolina.....	450	1,337	579	210
South Carolina.....	252	798	442	173
Tennessee.....	500	779	639	289
Texas.....	500	3,601	2,149	850
Virginia.....	515	944	622	247

<sup>1</sup> Figures for 1910, 1929, and 1936 from *Southern Economic Journal*, October 1938, p. 208; 1942 data from State reports. Comparable data not available for Missouri and Oklahoma.

<sup>2</sup> Totals are sums of unrounded figures; therefore may differ from sums of rounded figures.

<sup>3</sup> Not available.

Table 3.—State expenditures for veterans' aid and for care of veterans in State institutions, by selected year, 1928–43

[In thousands]		
Fiscal year	Veterans' aid—pensions and relief	Care of veterans in State institutions
1943.....	\$6,479	\$6,900
1942.....	8,480	7,279
1941.....	8,314	6,859
1940.....	9,208	6,553
1938.....	12,264	6,080
1937.....	12,352	5,781
1930.....	20,861	8,071
1929.....	19,558	8,128
1928.....	22,165	6,540

<sup>1</sup> Estimated.

Source: Bureau of the Census, reports of State finances. No reports were issued for the years 1932–36; the 1931 and 1939 reports contain no separate classification for veterans' aid or for care in State institutions.

taken place before 1921 (formerly 1910). A widow or a veteran who is a widower, formerly paid \$25, now may receive \$30 or \$50, respectively.

### State and Local Expenditures for Benefits to Veterans

No detailed statistics are available on a national basis concerning the amounts spent in the States for benefits to veterans. The best available information is that in the Bureau of the Census reports of State finances, which give data on State veterans' aid and on care in State institutions. Under the latter heading are included all expenses of operating the State homes for veterans. Veterans' aid includes both pensions and relief payments and, for some States at least, burial expenses and educational benefits. Payments for Confederate veterans' pensions and homes are included in the census data.

Table 3 indicates, for the years for which data are available, expenditures of State governments for veterans' aid. Over the period covered by the figures such expenditures have decreased markedly, almost wholly because of the steady drop in Confederate pensions.

In 1929 such pensions accounted for \$19 million out of a total of \$19.6 million in veterans' aid; in 1942, for \$5.1 million of the \$8.5 million total. In 13 Southern States nearly all the State veterans' aid is in the form of Confederate pensions.

Expenditures for Confederate pensions are not available for all years since the Civil War. It has been estimated that the cumulative cost to the Southern States was between \$350 and

<sup>26</sup> Colorado, New Mexico, North Carolina, South Dakota, Wyoming.

<sup>27</sup> Illinois, Indiana, Michigan, Oklahoma, Oregon, Pennsylvania, South Dakota, Vermont.



**Table 4.—Veterans' aid, 1942 and 1943, and expenditures for care of veterans in State institutions, 1942, by State**

[In thousands]

State	Veterans' aid		Care in State institutions
	1942	1943	1942
Total.....	\$8,480	\$8,479	\$7,279
Alabama.....	509	414	—
Arizona.....	11	8	—
Arkansas.....	39	38	—
California.....	45	50	796
Colorado.....	—	—	82
Connecticut.....	251	135	458
Delaware.....	4	3	—
Florida.....	479	427	—
Georgia.....	654	572	11
Idaho.....	42	13	30
Illinois.....	84	81	1,105
Indiana.....	10	10	612
Iowa.....	2	3	386
Kansas.....	20	20	182
Kentucky.....	141	120	—
Louisiana.....	1,288	490	6
Maine.....	187	179	—
Maryland.....	89	89	—
Massachusetts.....	205	66	406
Michigan.....	117	124	229
Minnesota.....	934	620	277
Mississippi.....	343	198	—
Missouri.....	11	7	120
Montana.....	6	8	45
Nebraska.....	25	26	100
Nevada.....	—	—	—
New Hampshire.....	5	14	32
New Jersey.....	—	—	192
New Mexico.....	8	8	—
New York.....	138	138	152
North Carolina.....	244	210	11
North Dakota.....	7	81	39
Ohio.....	98	98	742
Oklahoma.....	297	222	25
Oregon.....	—	—	—
Pennsylvania.....	375	362	317
Rhode Island.....	102	88	60
South Carolina.....	12	9	28
South Dakota.....	9	6	121
Tennessee.....	293	260	—
Texas.....	999	854	73
Utah.....	6	6	—
Vermont.....	22	21	48
Virginia.....	334	367	—
Washington.....	5	—	242
West Virginia.....	12	13	—
Wisconsin.....	17	11	291
Wyoming.....	1	—	16

Source: Bureau of the Census, reports of State finances, 1942 and 1943.

\$400 million through 1938; by the end of 1943 expenditures had probably reached at least the latter figure.<sup>28</sup> After reaching a peak in the late 1920's, benefits to Confederate veterans dropped to the level of \$5 million a year in 1942 (table 2). If the 1936-42 rate of decrease continues, expenditures for Confederate pensions will practically disappear within 10 years.

For the other types of State expenditure for aid to veterans, no comprehensive detailed data are available. An examination of the financial re-

ports of the individual States indicates that, for the 11 States where burial expenses were itemized, the total amount spent in 1942 was \$127,000. Since 22 States have no State law providing for burial benefits, total State expenditures for burial probably amounted to no more than \$300,000. In those 22 States, however, the county governments have made provisions for assuming responsibility for burial expenses where necessary. If the expenditures made in the 11 States with State laws providing for burial expenses are representative, it would appear that total county expenditures for burial expenses were about \$300,000. The combined total for State and county expenditures might thus be about \$600,000.

Bonus payments in the States in 1942 amounted to less than \$50,000. While these payments reached considerable amounts between World Wars I and II, they have now practically disappeared as a State expenditure for veterans.

State financial reports indicate that 13 States spent approximately \$95,000 in 1942 for the education of orphans of veterans of World War I. No data are available on State payments for the education of veterans, and it is probable that very little if anything was spent for such purposes in 1942.

No detailed distribution of census figures on veterans' aid is available, and it is not known how much of the money spent by the States for the three items discussed above is included in the total shown in table 3. For some States it is apparent that such expenditures are included in the total. It is probably safe to assume that the veterans' aid figures include practically all cash payments made to veterans by the States.

While all but 5 States made payments to veterans in 1943, no State paid as much as \$1 million, and only 3 States paid more than \$500,000 (table 4). The relatively high figures noted for the Southern States reflect the pension payments to Confederate veterans.

To get a total of all State and local expenditures for veterans, expenditures by city and county governments should be added to the \$6.5 million spent by State governments. The two items which would appreciably aug-

ment the census figures for expenditures made by State governments are (1) the burial expenses paid by the county governments and (2) relief expenditures made by city and county governments. The probable amount of burial expenses under county governments has already been noted. No data are available concerning expenditures made by the county governments for relief to veterans; for the 92 largest cities the Census Bureau reports veterans' aid expenditures of \$5.5 million. New York City accounts for \$3.8 million, and the remainder is spent in 18 of the 92 cities. Five of these 19 cities were in New York State and 7 in Massachusetts. The total amount of State and local expenditures for veterans' aid, exclusive of relief on a county basis, appears to be:

Veterans' aid:	Amount (in millions)
Total.....	\$12.3
State.....	6.5
City.....	5.5
County (exclusive of relief).....	.3

Expenditures for care for veterans in State institutions have decreased much less during the past 15 years than has State aid. The total spent for State institutional care has ranged from \$6 to \$8 million. State homes for Confederate veterans have represented a much smaller proportion of total expenditures for veterans' homes than Confederate pensions have of total veterans' aid. In 1942 the Southern States spent only \$258,882 for care in homes for Confederate veterans out of a total cost of \$7.3 million for care of veterans in State homes.

The \$6.9 million for 1943 (table 3) probably accounts for all expenditures in the States for care in institutions; there is no indication that homes for veterans are maintained by city or county governments. Included in the total is the amount reimbursed to the State by the Federal Government for care of veterans in State homes; in 1943 such payments to the States amounted to \$1.2 million.

No figures are available by States for veterans' care in State institutions in 1943. In 1942 all except 15 States made such expenditures (table 4). The largest expenditure—more than \$1 million—was made in Illinois; 3 other States expended more than \$500,000 and 14 States between \$100,000 and \$500,000.

<sup>28</sup> *Southern Economic Journal*, October 1938, p. 208.



## Public Assistance

### Trends in Old-Age Assistance in 1944

*Case loads decreased for the second successive calendar year.*—In 1944, as in 1943, reductions of somewhat less than 4 percent occurred in the old-age assistance rolls. The 2,066,000 recipients at the end of 1944 represented the lowest number aided since December 1940, even though the age group eligible for this type of assistance had increased during these 4 years by nearly 900,000 persons.

*Applications dropped about one-tenth from 1943.*—Some 326,000 persons applied for old-age assistance during 1944. This was less than half the number who applied in 1940 and fewer than in any of the intervening years. Increased employment opportunities for themselves or members of their families and other resources newly available have kept

many aged persons from seeking assistance. An increasing number have received retirement and survivor's benefits under old-age and survivors insurance, and a substantial number, allowances or other payments to dependents of servicemen.

*Fewer closings than in previous year.*—Assistance was discontinued for 333,000 recipients during 1944. Although this number exceeded the number who applied, it was about 8 percent less than the number of closings in the previous year. The proportion of all recipients who left the rolls in 1944 was higher than in 1941 and 1942 but lower than in 1943. It is probable that few of the present recipients will find other means of support.

*Changes in States not all downward.*—As usual, State programs, influenced by somewhat different economic conditions, showed consider-

able variation in trends. The rolls were smaller in 41 States in December 1944 than a year earlier. In 23 of these States the percentage decline was larger than the 3.9 percent for the United States as a whole. In 10 States, on the other hand, payments were made to more persons in December 1944 than in December 1943. In most of these States the increase in recipients apparently did not represent an upswing in the number of needy persons.

The most notable increases in the old-age assistance rolls occurred in States in which more ample appropriations for assistance enabled States to aid more applicants. In some of these States, public awareness of increased funds resulted in more applications. The old-age assistance rolls in Alabama, Arkansas, Mississippi, and New Mexico reached all-time highs in December 1944; the proportion of the age group 65 years of age and over which is aided is probably still lower in these States than

Table 1.—Public assistance in the continental United States and in all States with plans approved by the Social Security Board, by month, December 1943–December 1944<sup>1</sup>

Year and month	Continental United States					States with approved plans					
	Total	Special types of public assistance			General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	
		Old-age assistance	Aid to dependent children					Children			
			Families	Children					Families		Children
Number of recipients											
December 1943		2,146,503	272,536	676,414	75,593	292,000		2,140,425	270,784	672,938	59,363
January 1944		2,133,738	269,935	672,045	75,035	288,000		2,136,648	270,434	673,696	58,955
February		2,120,080	268,009	667,543	74,745	285,000		2,122,972	268,503	669,175	58,702
March		2,110,594	266,150	663,499	74,454	280,000		2,113,487	266,649	665,144	58,434
April		2,101,573	264,276	659,605	74,247	273,000		2,104,471	264,769	661,235	58,236
May		2,092,958	262,795	656,206	73,984	265,000		2,095,855	263,282	657,811	58,070
June		2,084,053	260,417	651,273	73,817	257,000		2,086,943	260,906	652,875	57,900
July		2,078,013	256,021	640,989	72,742	254,000		2,080,883	256,476	642,511	56,849
August		2,072,516	253,346	636,356	72,598	253,000		2,075,371	253,790	637,846	56,721
September		2,067,581	252,451	634,838	72,519	253,000		2,070,432	252,904	636,345	56,659
October		2,066,376	251,569	633,063	72,425	253,000		2,069,203	252,018	634,577	56,548
November		2,064,842	251,836	633,570	72,338	254,000		2,067,648	252,285	635,069	56,451
December		2,063,999	253,840	638,657	72,260	258,000		2,065,891	254,294	640,145	56,378
Amount of assistance											
December 1943		\$78,742,261	\$57,225,268	\$11,307,584	\$2,113,409	\$8,096,000	\$70,228,970	\$57,298,004	\$11,288,335	\$1,640,631	
January 1944		78,444,104	57,228,055	11,250,282	2,103,867	7,861,000	70,217,773	57,301,951	11,279,236	1,636,586	
February		78,510,488	57,238,482	11,313,221	2,106,785	7,852,000	70,292,819	57,311,454	11,341,451	1,639,914	
March		78,564,379	57,233,861	11,325,962	2,105,526	7,899,000	70,302,138	57,307,061	11,354,269	1,640,808	
April		78,370,066	57,350,102	11,322,391	2,110,573	7,487,000	70,419,452	57,424,152	11,350,571	1,644,729	
May		78,096,634	57,399,840	11,249,270	2,121,324	7,326,000	70,409,340	57,474,170	11,277,022	1,638,148	
June		77,925,630	57,418,971	11,215,645	2,122,014	7,169,000	70,396,735	57,493,529	11,243,702	1,659,504	
July		77,750,999	57,577,348	11,129,052	2,101,599	6,943,000	70,447,268	57,651,634	11,155,980	1,639,654	
August		77,937,261	57,778,377	10,970,181	2,106,703	7,082,000	70,495,809	57,852,949	10,967,883	1,644,977	
September		77,968,214	57,818,380	11,058,835	2,107,999	6,983,000	70,631,177	57,895,855	11,067,265	1,648,057	
October		78,632,790	58,113,309	11,191,551	2,111,930	7,216,000	71,059,935	58,188,918	11,218,963	1,652,054	
November		79,107,279	58,425,999	11,299,402	2,116,878	7,365,000	71,485,855	58,502,094	11,237,985	1,656,676	
December		79,727,523	58,645,098	11,555,824	2,118,601	7,408,000	71,063,762	58,721,758	11,583,940	1,658,164	

<sup>1</sup> Partly estimated and subject to revision. For monthly data January 1933–December 1941, see the *Bulletin*, February 1943, pp. 23–26; for 1942–43 data, see the *Bulletin*, February 1944, p. 27; for definitions of terms, see the September 1941 issue, pp. 50–51.

<sup>2</sup> Excludes estimated increase in payments due to change in payment dates for old-age assistance and aid to the blind in Baltimore, Md.; for aid to dependent children in Baltimore, Md., and New York City; and for general assistance in New York City.

in a number of States in which the programs had more rapid growth (table 2). Since all of these States make some single payments to husbands and wives both eligible for assistance, the full number of aged persons aided is larger than the number of recipients reported. Small net increases in the number of recipients in Idaho and Wyoming during 1944 resulted from change in the policy of providing separate payments to husbands and wives. An increase in the number of separate payments in New Mexico contributed to the increase in case load in that State. In addition, California, Florida, Oregon, and South Carolina aided slightly more recipients in December 1944 than a year earlier.

*Relatively few major policy changes affected trends in recipients.*—Only 8 State legislatures met in regular session during 1944; war measures took precedence over public assistance legislation. In New Jersey, noncitizens became eligible for old-age assistance in January 1944, and the 1944 legislative session removed the \$3,000 limitation on real and personal property and the requirement that grandchil-

dren support needy grandparents. The number aided increased in January but dropped in the other 11 months. New legislation in New York reduced the residence requirement from 5 years to 1 year, permitted assistance to needy aged persons in private nursing homes, and liberalized other provisions of the law; the case load in this State, however, continued to decline slowly.

Policy changes contributed to some of the largest decreases in case loads. Closings increased in Illinois because assistance was discontinued for recipients whose children were found able to support them. The application of certain eligibility provisions was somewhat tightened in Texas to avoid the necessity for reductions in payments to the most needy recipients. Some aged persons in Delaware were given general assistance instead of old-age assistance because the \$25 maximum for total income—including the old-age assistance payment—made it impossible to meet even minimum need through old-age assistance.

*Payments to recipients rose unevenly.*—Total expenditures for assistance in December 1944 were 2.5

percent higher than in December 1943 even though the number of recipients dropped 3.9 percent. Average payments rose somewhat in nearly all States. The amounts of the changes in the various States from December 1943 to December 1944 were as follows:

Amount of change	Number of States
Decrease (less than \$2) .....	2
Increase (less than \$1) .....	14
\$1.00-1.99 .....	16
2.00-2.99 .....	8
3.00-3.99 .....	6
4.00-4.99 .....	1
5.00 or more .....	4

During 1944 many agencies made upward adjustments in the amounts planned to meet the increased costs of requirements other than food; adjustments in cost figures for food which had occurred rather generally before 1944 were continued during the year. Increased funds permitted an increase of nearly \$12 in Florida and more than \$5 in Mississippi during 1944. Removals of maximums in North Dakota and Rhode Island and a limit of \$40 instead of \$20 in Virginia permitted agencies in these States to make higher payments to the recipients whose need exceeded the amounts of their former maximums.

Table 2.—Old-age assistance: Recipients and payments to recipients, by State, December 1944<sup>1</sup>

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	November 1944 in—		December 1943 in—				Total amount	Average	November 1944 in—		December 1943 in—	
				Number	Amount	Number	Amount					Number	Amount	Number	Amount
Total <sup>2</sup> .....	2,065,891	\$58,721,758	\$28.42	-0.1	+0.4	-3.9	+2.5	Mo.....	102,100	\$2,330,381	\$22.82	-0.1	+0.3	-3.9	+4.0
Ala.....	30,883	491,091	15.90	+8	+8	+16.2	+12.4	Mont.....	10,887	325,813	29.93	-2	+3	-5.7	+8.4
Alaska.....	1,336	44,015	32.95	-1.3	-8	-5.8	-1	Nebr.....	24,658	685,925	27.82	-2	+1.8	-6.3	+2.2
Ariz.....	9,524	366,464	38.48	-1	(0)	-1.0	-4	Nev.....	1,957	74,967	38.32	-3	-1	-3.9	-2.3
Ark.....	28,316	606,744	17.90	+1.3	+2.1	+7.7	+21.8	N. H.....	6,620	189,780	28.67	+1	+8	-2.8	+3.6
Calif.....	188,266	7,477,073	47.24	+1	+1	+3	+5	N. J.....	24,620	753,632	30.61	-5	+6	-2.6	+0.7
Colo.....	140,787	4,684,693	41.30	(0)	+1	-1.7	-1.3	N. Mex.....	5,568	179,740	32.28	+9	+1.2	+6.1	+2.0
Conn.....	14,138	496,302	35.10	-5	(0)	-4.1	+3.9	N. Y.....	105,925	3,662,167	34.57	-2	-4	-6.1	+2.8
Del.....	1,424	21,289	14.95	-2.0	-1.6	-16.0	-7.5	N. C.....	33,015	390,116	11.82	-2	+1.8	-5.9	+2.9
D. C.....	2,563	85,580	33.39	-1.7	-2	-13.6	+2.5	N. Dak.....	8,752	281,887	32.17	-2	-4	-3.4	+22.5
Fla.....	39,754	1,134,971	28.55	+5	+8	+2	+69.6	Ohio.....	122,094	3,582,331	29.34	-4	+1	-6.4	-1.5
Ga.....	67,679	757,349	11.19	-4	+1	-5.8	+1	Okl.....	77,090	2,205,785	28.61	+2	+2.7	(0)	+11.8
Hawaii.....	1,456	32,645	22.42	+3	+2.9	-3.2	+13.9	Oreg.....	19,806	683,978	34.53	+1	+4	+1.4	+17.3
Idaho.....	9,708	295,801	30.28	-1	-3	+1.5	+2.4	Pa.....	84,109	2,443,876	29.06	-2	+5	-4.8	-1.9
Ill.....	124,004	3,866,528	31.18	-3	-1	-13.7	-8.0	R. I.....	7,220	237,046	32.83	(0)	+7	-2.0	+7.1
Ind.....	57,474	1,431,615	24.91	-4	(0)	-7.4	-9	S. C.....	21,408	298,116	13.93	+1	+3	+1.7	+7.0
Iowa.....	50,401	1,631,473	30.39	-3	+9	-5.1	+8.9	S. Dak.....	12,883	309,520	24.03	-4	-2	-5.6	+3.9
Kans.....	28,358	823,260	29.03	+1	+6	-3.6	+1.5	Tenn.....	38,312	635,646	16.60	+1	+1	-1.5	+1.2
Ky.....	52,049	588,740	11.31	-1.2	-1.2	-5.4	+1.8	Tex.....	169,700	3,687,051	21.73	+1	+5	-5.4	-1.9
La.....	36,481	814,120	22.32	+3	+1.0	-1.7	+4.8	Utah.....	13,146	486,106	36.98	(0)	(0)	-4.0	-3.1
Maine.....	14,994	428,296	28.56	(0)	+9	-3.0	+11.6	Vt.....	5,083	105,762	20.81	-1	+8	-5.9	(0)
Md.....	11,937	321,546	26.94	-5	+6	-9.5	+4.2	Va.....	15,624	205,740	13.17	-7	+2	-7.9	+3.2
Mass.....	75,570	3,123,760	41.34	-1	+6	-3.7	+8	Wash.....	59,998	2,273,453	37.89	+1	+1	-1.4	-1
Mich.....	85,266	2,548,566	29.89	(0)	+4	-2.7	+2.3	W. Va.....	18,644	338,956	18.18	+2	-1	-1.1	+14.8
Minn.....	56,120	1,641,071	29.24	-3	+2	-5.2	+8	Wis.....	46,279	1,309,627	28.30	-4	+1	-5.8	+5
Miss.....	28,470	421,220	14.80	+1.2	+2.2	+11.9	+73.2	Wyo.....	3,375	110,425	32.72	+3	+5.9	+3	+9

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. All data subject to revision.

<sup>2</sup> All 51 States have plans approved by Social Security Board.

<sup>3</sup> Decrease of less than 0.05 percent.

<sup>4</sup> Includes \$88,651 for payments to 2,139 recipients aged 60 but under 65 years of age.

<sup>5</sup> Increase of less than 0.05 percent.

Inadequate funds for their current case loads, on the other hand, forced the Louisiana agency to set a maximum on payments for the first time

and the New Mexico agency to lower the maximum that was imposed late in 1943.

In the November elections voters in

5 States took action bearing on the levels of assistance payments. A constitutional amendment in Colorado authorized the legislature to make an

Table 3.—General assistance: Cases and payments to cases, by State, December 1944<sup>1</sup>

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	November 1944 in—		December 1943 in—	
				Number	Amount	Number	Amount
Total <sup>1</sup> .....	258,000	\$7,429,000	\$28.77	+1.4	+2.0	-11.7	-8.5
Ala.....	2,995	43,035	14.37	+1.0	+1.1	+18.7	+36.7
Alaska.....	123	3,702	30.10	+3.4	+2.5	+8.8	+22.8
Ariz.....	2,125	63,298	29.79	+8	+6	-1	+9.5
Ark. <sup>2</sup> .....	2,826	33,054	11.70	+1	+1.9	-7.1	+2.8
Calif. <sup>3</sup> .....	11,291	411,909	36.49	+1.0	+3.0	-4.9	+13.0
Colo.....	4,647	140,162	30.16	+2.1	+1.9	+1	+8.9
Conn.....	2,603	89,559	34.41	+1.5	+3.5	-12.3	-3.8
Del.....	337	8,469	25.13	+1.8	+5	+1.5	+8.4
D. C.....	846	32,629	38.57	+1.6	+3.9	-3.5	+37.9
Fla.....	45,000	42,000					
Ga.....	2,916	38,576	13.23	+9.7	+25.3	-3.4	+22.1
Hawaii.....	562	17,058	30.35	+2.7	+4.7	-6.6	+8.7
Idaho <sup>4</sup> .....	612	12,597	20.58	0	+6	-5.6	+6.9
Ill.....	25,090	819,071	32.65	-1.2	-6.0	-26.7	-22.5
Ind. <sup>5</sup> .....	5,909	126,588	21.42	+1.6	-1.1	-22.1	-13.5
Iowa.....	4,302	88,737	20.63	+3.1	+11.4	-29.1	-23.6
Kans.....	3,550	94,508	26.21	+5	+1.3	-17.6	-6.7
Ky.....	1,600	423,000					
La.....	6,510	114,772	17.63	+1.9	+3.6	+12.9	-5.0
Maine.....	2,011	63,852	31.75	+2.6	+12.3	-13.8	-1.1
Md.....	4,565	156,301	34.24	+2.2	+3.4	+2.2	+17.1
Mass.....	12,686	442,916	34.91	-3	+5.3	-16.5	-14.1
Mich.....	10,254	347,106	33.85	+1.6	-4	-9.5	-2.4
Minn.....	5,751	160,895	27.98	+1.8	+4.5	-17.3	-11.6
Miss.....	313	2,307	7.37	+3.3	+2.9	-15.2	-12.3
Mo. <sup>6</sup> .....	8,396	236,052	28.11	+6.9	+15.3	+27.9	+49.4
Mont.....	1,241	29,568	23.83	+3.8	+1.6	-3.0	+6.1
Nebr.....	1,725	36,946	21.42	+6.6	+7.9	-17.5	-1.8
Nev.....	240	4,401	18.34	-1.6	+11.5	-14.9	-5.9
N. H.....	1,302	37,201	28.57	-1.1	-3	-22.3	-18.2
N. J. <sup>7</sup> .....	4,924	166,805	33.88	+2.2	+5.4	-34.9	-29.6
N. Mex. <sup>8</sup> .....	1,045	21,274	20.36	+5.9	+8.0	-8	+24.1
N. Y.....	38,603	1,755,263	45.47	-7	-2	-27.0	-19.9
N. C.....	2,836	26,681	9.41	+13.2	+6.9	-2.8	-2.4
N. Dak.....	692	15,507	22.41	+2.2	-1.3	-21.6	-12.7
Ohio.....	11,501	332,480	28.91	+2.7	+7.7	-10.6	+13.0
Okl. <sup>9</sup> .....	4,844	37,499	( <sup>10</sup> )	( <sup>10</sup> )	-6	( <sup>10</sup> )	-2.2
Oreg.....	3,485	131,737	37.80	+3.6	+3.3	+25.1	+39.3
Pa.....	20,730	500,797	24.16	-3	+1.3	-18.2	-14.5
R. I.....	1,863	63,859	34.28	-7	+2.5	+1.5	-7.7
S. C.....	2,635	28,411	10.78	+6	+1.0	+6.8	+10.0
S. Dak.....	917	19,497	21.26	+9.2	+10.9	-16.8	-6.6
Tenn.....	4,000	445,000					
Tex.....	1,452	57,340	39.49	+1.4	+1.5	-8.1	-4.7
Utah.....	923	21,095	22.85	+5.8	+15.2	-18.0	-16.4
Va.....	3,107	45,811	14.74	+1.5	+1.5	-15.0	-7.0
Wash.....	14,701	282,483	19.22	+3.2	+2.8	+139.7	+27.3
W. Va.....	4,898	85,525	17.46	+3.0	+2.4	+28.6	+66.3
Wis.....	4,905	133,721	27.26	( <sup>10</sup> )	+9.5	-25.1	-19.7
Wyo.....	346	9,640	27.86	+1.2	+7.1	-16.8	-7.8

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. All data subject to revision.

<sup>2</sup> Partly estimated; does not represent sum of State figures, because total excludes estimated number of cases and payments for medical care, hospitalization, and burial only in Indiana and New Jersey, and estimated duplication of cases in Oklahoma.

<sup>3</sup> State program only; excludes program administered by local officials.

<sup>4</sup> Estimated.

<sup>5</sup> Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 60 percent of total.

<sup>6</sup> Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

<sup>7</sup> Excludes a few cases and small amount of local funds not administered by the State agency.

<sup>8</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>9</sup> Represents 1,705 cases aided by county commissioners, and 3,139 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

<sup>10</sup> Increase of less than 0.05 percent.

Table 4.—Aid to the blind: Recipients and payments to recipients, by State, December 1944<sup>1</sup>

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	November 1944 in—		December 1943 in—	
				Number	Amount	Number	Amount
Total.....	72,325	\$2,120,203	\$29.31	-0.1	+0.1	-4.4	+0.2
Total, 46 States <sup>1</sup> .....	56,378	1,658,154	29.41	-1	+1	-5.0	+1.1
Ala.....	748	12,215	16.33	+1	+2	+11.8	+23.0
Ariz.....	435	19,516	44.86	+1.9	+2.0	+11.8	+32.9
Ark.....	1,246	24,977	20.05	+1.3	+1.3	+4.8	+16.8
Calif. <sup>2</sup> .....	5,675	269,642	47.51	-7	-8	-10.8	-10.1
Colo.....	503	18,208	36.20	0	+6	-8.4	-5.9
Conn.....	154	5,338	34.66	-1.9	-2.8	+1.3	+6.9
D. C.....	222	8,339	37.56	-1.8	-7	-12.9	-6.6
Fla.....	2,283	67,720	29.66	-4	-1	-4.4	+54.6
Ga.....	2,084	29,248	14.03	-4	-2	-4.0	-2.2
Hawaii.....	65	1,602	24.65	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Idaho.....	213	6,787	31.86	0	-1	-8.2	-6.5
Ill.....	5,233	170,690	32.62	-3	( <sup>3</sup> )	-17.3	-11.4
Ind.....	2,139	64,535	30.17	-3	-6	-7.0	-7.2
Iowa.....	1,309	42,629	32.57	-8	-5	-9.6	-6.4
Kans.....	1,076	33,603	31.23	-4	-1	-9.4	-3.4
Ky.....	1,621	21,047	12.98	+6	( <sup>3</sup> )	+9.7	+18.3
La.....	1,407	36,322	25.82	-1	-5	-4.0	-1.9
Maine.....	836	24,325	29.10	-7	-4	-8.8	-3.0
Md.....	451	13,511	29.96	+7	+4	-3.4	+6.6
Mass.....	950	40,114	42.23	+3	+5	-1.3	+13.0
Mich.....	1,251	42,174	33.71	-7	-4	-2.3	+1.4
Minn.....	931	33,401	35.88	+3	+1.4	-2.8	+7.4
Miss.....	1,447	24,403	16.86	+8	+1.8	+5.1	+57.7
Mo. <sup>4</sup> .....	5,000	75,000					
Mont.....	311	9,633	31.04	-1.3	-1.2	+4.4	+11.1
Nebr.....	465	12,160	26.15	-2.9	-1.3	-21.2	-10.7
Nev.....	27	1,170	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
N. H.....	277	8,200	29.60	-4	+1.2	-6.4	+2.5
N. J.....	543	17,115	31.52	+4	+1.5	-8.4	+2.8
N. Mex.....	288	7,602	29.47	-1.5	-1.2	-2.3	-11.5
N. Y.....	2,898	110,421	38.10	+3	+9	+6.9	+20.7
N. C.....	2,286	39,029	17.07	+3	+1	+2.1	+9.7
N. Dak.....	117	3,609	30.85	0	-1.2	-7.9	+10.5
Ohio.....	3,102	82,229	26.51	-4	+3	-7.5	-4
Okl. <sup>5</sup> .....	1,860	58,305	31.35	-2	+5	-4.4	+6.0
Oreg.....	375	16,708	44.55	+5	+2.2	0	+19.5
Pa.....	12,980	385,879	29.87	( <sup>3</sup> )	+1	-2.7	-8.6
R. I.....	94	2,805	29.84	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
S. C.....	887	17,507	19.74	+5	+1.5	+7.1	+24.1
S. Dak.....	211	4,618	21.89	-5	+4	-11.3	+4.4
Tenn.....	1,542	31,003	20.11	+5	+2	-1.1	+2
Tex.....	4,624	111,907	24.20	+1	+4	-8	-2.2
Utah.....	124	5,084	41.00	+8	-1.0	-4.6	-4.8
Vt.....	153	4,372	28.58	-1.3	-9	+2.7	+14.0
Va.....	961	16,669	17.35	-2	+5	-2.3	+12.5
Wash.....	609	23,927	39.29	-1.8	-1.3	-15.3	-12.8
W. Va.....	818	18,363	22.45	+1	-1.5	-5.2	+4.9
Wis.....	1,466	42,043	28.68	+3	+7	-10.0	-3.1
Wyo.....	118	4,479	37.96	+9	+6.1	-3.3	+1.3

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind. All data subject to revision.

<sup>2</sup> Total for States with plans approved by Social Security Board.

<sup>3</sup> Includes program administered without Federal participation.

<sup>4</sup> Not computed. Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

<sup>5</sup> Increase of less than 0.05 percent.

<sup>6</sup> Estimated.

<sup>7</sup> Decrease of less than 0.05 percent.



appropriation from general funds to ensure old-age assistance payments of \$45 minus income without the flat reductions that have sometimes been

necessary. Initiative measures providing \$60 pensions to all persons 60 years of age or over were rejected in Arizona, California, Oregon, and

Washington. South Carolina voters removed from their constitution a monthly limit of \$30 per person for any type of assistance.

Table 5.—Aid to dependent children: Recipients and payments to recipients, by State, December 1944<sup>1</sup>

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	November 1944 in—			December 1943 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total <sup>2</sup> .....	254,399	640,384	\$11,587,615	\$45.55	+0.8	+0.8	+2.3	-6.9	-5.6	+2.2
Total, 49 States <sup>3</sup> .....	254,294	640,145	11,583,840	45.55	+ .8	+ .8	+2.3	-6.1	-4.9	+2.6
Ala.....	4,938	13,642	124,255	25.16	+1.9	+2.0	+2.8	+8.9	+9.7	+21.0
Alaska.....	36	111	1,925	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Ariz.....	1,407	4,000	53,887	38.30	+1.3	(4)	+1.1	-4.9	-5.8	-3.3
Ark.....	4,752	12,555	135,000	28.41	+1.7	+1.7	+2.1	-3.7	-1.9	+9.4
Calif.....	6,348	16,170	802,965	79.23	0	(4)	+1.2	-8.4	-7.4	+3.4
Colo.....	3,348	9,041	121,223	36.21	+ .5	+ .4	+ .6	-7.2	-5.8	-4.8
Conn.....	1,910	4,851	145,232	76.05	+1.1	+1.1	+2.3	+5.1	+4.5	+18.8
Del.....	259	717	17,470	67.45	+2.0	+1.0	+4.9	+1.6	+2.1	+35.0
D. C.....	554	1,768	34,974	63.13	-1.4	-2.3	+1.0	-14.6	-12.3	+22.6
Fla. <sup>7</sup> .....	4,429	10,826	147,066	33.21	+5.3	+5.4	+5.4	+51.9	+62.0	+57.6
Ga.....	4,019	9,937	99,292	24.71	+ .8	+ .8	+ .2	-2.5	- .6	-1.0
Hawaii.....	523	1,616	29,866	57.11	+ .6	- .9	+ .8	-11.1	-11.7	- .3
Idaho.....	1,265	3,510	47,402	37.47	-1.2	-1.3	-1.3	-24.9	-23.2	-23.2
Ill.....	19,506	46,669	952,130	48.81	- .4	- .3	+11.0	-17.6	-14.5	+24.2
Ind.....	6,657	15,204	236,168	35.48	- .6	- .4	- .2	-21.8	-19.5	-17.6
Iowa.....	3,071	7,609	83,408	27.16	+1.0	+1.3	+1.3	+36.6	+48.9	+77.4
Kans.....	3,085	7,669	145,928	48.08	+ .2	- .2	+ .1	-23.0	-22.9	-18.2
Ky. <sup>8</sup> .....	4,773	12,718	117,947	24.71	+1.2	- .8	+3.2	+50.4	+40.9	+54.3
La.....	9,224	23,706	341,135	36.98	- .2	- .1	+ .9	-13.3	-12.7	-14.6
Maine.....	1,297	3,668	77,561	59.80	+ .5	+ .5	+2.0	-13.0	-12.5	+3.0
Md.....	2,760	7,854	103,822	37.62	+1.5	+ .8	+2.1	-10.0	-9.9	-4.9
Mass.....	7,004	17,273	551,202	78.70	+3.9	+4.5	+5.0	-5.3	-5.1	+1.1
Mich.....	12,504	30,109	751,168	60.07	+ .2	+ .1	(4)	-7.4	-6.7	-6.8
Minn.....	5,091	12,466	205,650	41.12	+ .2	+ .3	+ .8	-14.8	-13.7	-10.4
Miss.....	2,892	7,387	74,680	26.82	+ .8	+ .9	+ .9	+8.6	+9.0	+36.1
Mo.....	10,778	27,251	358,342	33.25	- .1	+ .5	+ .3	-4.2	- .5	-1.3
Mont.....	1,324	3,311	45,134	34.09	+1.5	+1.9	+1.9	-13.5	-11.7	-9.3
Nebr. <sup>10</sup> .....	2,422	6,635	79,443	32.80	- .5	- .8	- .1	-23.0	-22.4	-22.4
Nev.....	69	188	1,850	26.81	(4)	(4)	(4)	(4)	(4)	(4)
N. H.....	703	1,731	39,819	56.64	+1.2	- .7	+1.7	-2.5	-6.3	-1.7
N. J.....	3,522	8,647	190,843	54.19	- .8	- .4	+2.4	-17.4	-14.7	+ .1
N. Mex.....	2,201	6,259	89,285	40.57	+1.8	+1.0	+1.3	-2.6	-4.3	-13.4
N. Y.....	18,622	43,253	1,377,712	73.98	+ .9	+1.1	+1.1	+1.0	+4.5	+12.6
N. C.....	6,180	15,342	141,476	22.89	+ .6	+ .6	+1.7	-10.6	-7.4	+5.9
N. Dak.....	1,511	4,133	77,053	50.99	(4)	+ .8	+ .6	-14.0	-14.7	+11.5
Ohio.....	7,637	20,539	410,527	53.76	(4)	0	+2.0	-12.4	-11.8	-3.7
Okl.....	14,313	34,090	479,048	33.47	+3.9	+2.9	+2.9	+3.6	+3.4	+8.3
Oreg.....	1,204	2,920	98,089	77.32	+1.5	+1.5	+2.5	- .7	+ .8	+18.0
Pa.....	21,609	57,280	1,223,093	56.60	+ .7	+1.0	+2.2	-17.5	-16.4	-11.0
R. I.....	1,144	2,981	77,604	67.84	+ .5	+ .4	+1.1	+1.0	-2.1	+7.5
S. C.....	3,473	10,369	82,842	23.85	+1.4	+1.9	+1.7	+1.8	+2.3	+10.5
S. Dak.....	1,463	3,490	48,208	32.95	+ .3	+ .2	+ .8	-7.8	-7.4	-3.1
Tenn.....	10,968	28,598	340,131	31.01	+ .5	+ .9	+ .7	-4.6	-3.2	+2.2
Tex.....	10,749	23,427	223,880	20.83	+ .7	+ .9	+ .6	+5.6	+3.8	+3.3
Utah.....	1,845	4,912	134,187	72.73	+ .8	+ .6	+1.1	-3.0	-3.5	+3.8
Vt.....	547	1,403	18,683	34.16	+ .2	+ .1	(4)	-8.1	-7.1	-3.3
Va.....	3,514	9,978	98,056	27.90	+ .4	+ .6	+1.4	-8.1	-7.4	+6.1
Wash.....	3,286	8,107	280,428	85.34	+1.1	+ .7	+1.5	+1.6	+2.3	+10.3
W. Va.....	6,830	19,015	225,713	33.05	+1.6	+1.2	+1.1	-8.4	-5.8	+5.1
Wis.....	5,994	14,371	322,594	53.82	+ .1	+ .1	+1.3	-15.2	-15.6	-6.2
Wyo.....	305	819	14,396	47.20	- .3	-1.0	+5.1	-24.7	-25.5	-18.2

<sup>1</sup> For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. All data subject to revision.

<sup>2</sup> Includes program administered in Florida under State law without Federal participation. See footnote 7.

<sup>3</sup> Total for States with plans approved by Social Security Board.

<sup>4</sup> Not computed. Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

<sup>5</sup> Increase of less than 0.05 percent.

<sup>6</sup> Decrease of less than 0.05 percent.

<sup>7</sup> In addition, in 21 counties payments amounting to \$12,805 were made from local funds without State or Federal participation to 674 families, in behalf of 1,379 children under State mothers'-assistance law.

<sup>8</sup> No approved plan for December 1943. Percentage change based on program administered without Federal participation.

<sup>9</sup> Includes program administered without Federal participation.

<sup>10</sup> In addition, in 60 counties payments amounting to \$10,028 were made from local funds without State or Federal participation to 392 families, in behalf of 1,298 children under State mothers'-pension law; some of these families also received aid under approved plan.

Table 6.—Recipient rates, by State, for special types of public assistance, continental United States, December 1944

State	Recipient rates		
	Persons receiving old-age assistance per 1,000 population aged 65 and over <sup>1</sup>	Children receiving aid to dependent children per 1,000 population under 18 years <sup>2</sup>	Persons receiving aid to the blind per 100,000 civilian population <sup>3</sup>
Total.....	208	15	56
Ala.....	206	12	28
Ariz.....	353	18	76
Ark.....	240	18	72
Calif.....	238	8	72
Colo.....	416	26	47
Conn.....	100	10	57
Del.....	65	9	8
D. C.....	56	9	27
Fla.....	280	17	113
Ga.....	398	9	70
Idaho.....	279	20	45
Ill.....	197	22	69
Ind.....	190	14	63
Iowa.....	212	10	57
Kans.....	172	14	64
Ky.....	263	13	64
La.....	285	27	61
Maine.....	185	14	107
Md.....	90	13	23
Mass.....	192	15	23
Mich.....	238	17	23
Minn.....	239	15	37
Miss.....	233	9	72
Mo.....	296	25	-----
Mont.....	266	21	66
Nebr.....	213	15	40
Nev.....	225	3	21
N. H.....	135	12	61
N. J.....	77	8	13
N. Mex.....	223	29	53
N. Y.....	103	13	23
N. C.....	192	11	68
N. Dak.....	219	20	22
Ohio.....	209	10	45
Okl.....	497	45	94
Oreg.....	180	9	32
Pa.....	112	19	139
R. I.....	120	14	14
S. C.....	241	13	50
S. Dak.....	280	18	39
Tenn.....	208	27	55
Tex.....	447	10	74
Utah.....	376	21	21
Vt.....	150	13	48
Va.....	92	10	35
Wash.....	353	15	32
W. Va.....	169	27	47
Wis.....	179	15	50
Wyo.....	254	10	50

<sup>1</sup> Population aged 65 and over as of April 1944 estimated by the Social Security Board. Rate may be an understatement for some States because only 1 recipient is reported when a single payment is made to husband and wife, both 65 or over.

<sup>2</sup> Population under 18 as of November 1943 estimated by the Social Security Board. For Nevada, rate is for program administered under State law without Federal participation; for Kentucky, rate includes such program.

<sup>3</sup> Civilian population as of November 1943 estimated by the U. S. Bureau of the Census. For Nevada and Pennsylvania rates are for programs administered under State law without Federal participation; for California, rate includes such program. Missouri data not currently available. Delaware does not administer aid to the blind.

## Employment Security

### Operations in Unemployment Compensation

**December activities.**—Initial claims for the Nation as a whole, totaling 123,000, were very slightly higher (0.5 percent) than in November but 13 percent less than a year earlier. Twenty States reported increases from November; the load more than doubled in 3 States (Florida, Indiana, and Nebraska) and more than tripled in Oregon. Other increases ranged from 0.1 percent in Massachusetts to 96 percent in Washington. Twelve States reported more claims than in December 1943; the number more than doubled in Delaware, Florida, and Indiana.

Continued claims rose 9 percent from the number filed in November and also from that in December 1943. All but 11 States shared in the increase from November, and in Maine, Minnesota, North Dakota, and Oregon the increases amounted to 80 percent or more. Of the States reporting fewer continued claims, the decreases were less than 10 percent except in Florida and Nevada. Increases over December 1943 levels occurred in 14 States; those in Connecticut, Delaware, and Michigan were 152, 177, and 447 percent, respectively.

The weekly average number of beneficiaries rose to 75,000 in December—5 percent more than in November and 16 percent above the average a year earlier. In the 30 States with greater averages than in November, the increases ranged from 0.5 percent in Michigan to 167 percent in Oregon. Connecticut, Delaware, Michigan, and Utah showed significant increases over their December 1943 averages.

In the Nation as a whole, 325,000 weeks were compensated for all types of unemployment. California, Illinois, Michigan, and New York accounted for 53 percent of all compensated unemployment and 59 percent of the total amount paid in benefits, though these States had only 33 percent of the average monthly covered employment in the country in 1943.

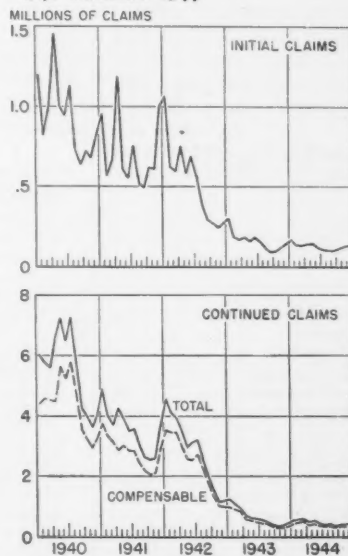
The total amount paid in benefits—\$5.2 million—was 5.6 percent greater

than in the preceding month and 22 percent more than in December 1943. All but 14 States reported heavier disbursements than in November. Compared with those a year earlier, total expenditures were up 171 percent in Connecticut, 170 percent in Delaware, and 374 percent in Michigan; 20 other States reported increases.

During the fourth quarter of 1944 the average weekly benefit check for total unemployment was \$16.54—59 cents more than during the preceding quarter and \$1.90 more than in October–December 1943. In all but 9 States the average was higher than in the fourth quarter of the preceding year. The range in the average check issued in October–December 1944 for total unemployment was from less than \$10 in North Carolina and South Dakota to more than \$19 in Connecticut, Michigan, and Utah.

**Summary of the calendar year.**—During 1944, 1.5 million initial claims were received in local offices, 20 percent less than in 1943 and 76 percent less than in 1942. Only 6 States—Alaska, California, Connecticut, Michigan, Nevada, and Utah—reported heavier initial claim loads than in 1943, and only Alaska received more initial claims than in 1942. Although Michigan's 1944 claims were more than double those in 1943, the number was 67 percent below the 1942 load and 78 percent below that in 1941—

Chart 1.—Number of initial and continued claims received in local offices, January 1940–December 1944



the peak load for the State since 1940.

More than 5.5 million continued claims were received, but that number was 28 percent below that in 1943 and 84 percent below the 1942 level. The 1944 volume of continued claims was greater than in 1943 in 7 States—California, Connecticut, the District of Columbia, Massachusetts, Michigan, Utah, and Wisconsin—but no State reported an increase over 1942.

About 3.7 continued claims were received in 1944 for each initial claim filed. This ratio indicated that the

Table 1.—Summary of unemployment compensation operations, December and January–December 1944<sup>1</sup>

Item	December 1944			January–December 1944		
	Number or amount	Percentage change from—		Number or amount	Percentage change from—	
		November 1944	December 1943		January–December 1943	January–December 1942
Initial claims.....	123,116	+0.5	–13.2	1,502,802	–20.2	–76.2
Continued claims.....	452,826	+8.6	+9.0	5,505,441	–28.2	–83.7
Waiting-period.....	81,029	+8.6	–7.7	933,897	–27.5	–80.8
Compensable.....	371,797	+8.6	+13.4	4,571,544	–28.3	–84.2
Weeks compensated.....	324,861	+5.0	+7.9	4,124,149	–31.3	–85.4
Total unemployment.....	293,038	+5.3	+10.1	3,723,763	–30.8	–85.6
Part-total unemployment <sup>2</sup> .....	6,384	–28.6	–23.7	114,697	–29.5	–85.1
Partial unemployment <sup>3</sup> .....	23,162	+17.4	–1	257,582	–28.7	–83.3
Weekly average beneficiaries.....	74,965	+5.0	+16.4			
Gross benefits paid.....	\$5,194,353	+5.6	+21.5	\$63,115,614	–21.2	–81.7
Benefits paid since first payable <sup>4</sup> .....	\$2,174,363,103					
Funds available as of Dec. 31.....	\$6,071,955,257	+5	+28.8			

<sup>1</sup> Excludes activities under title V of the Service-men's Readjustment Act of 1944.

<sup>2</sup> Excludes New York because data not reported, and Montana and Pennsylvania, which have no

provisions for partial and part-total unemployment.

<sup>3</sup> Based on 46 States reporting comparable data.

<sup>4</sup> Adjusted for voided benefit checks.

Table 2.—State unemployment compensation funds available for benefits as of December 31, 1944, collections and interest, and benefits paid, October–December 1944, and cumulative through December 1944, by State

(Data reported by State agencies,<sup>1</sup> corrected to Jan. 29, 1945)

Social Security Board region and State	Funds available for benefits as of Dec. 31, 1944		Collections <sup>2</sup> and interest <sup>4</sup>				Benefits paid <sup>5</sup>		
	Amount <sup>3</sup>	Percent- age change from Sept. 30, 1944	Cumulative through December 1944 <sup>6</sup>		October–December 1944		Cumulative through December 1944 <sup>7</sup>	October–December 1944	
			Collections and interest	Collections	Collections	Percent- age change from July– September 1944		Amount	Percent- age change from July– September 1944
Total.....	\$6,071,955,257	+5.8	\$8,246,318,184	\$7,837,279,089	\$318,908,407	—5.4	\$2,174,363,103	\$14,275,521	+7.5
Region I:									
Connecticut.....	155,213,205	+5.2	185,500,874	175,656,398	7,384,245	—12.3	30,287,669	408,588	—5.6
Maine.....	31,602,183	+6.6	46,105,035	44,540,966	1,902,856	—10.1	14,502,845	84,851	+41.0
Massachusetts.....	200,327,790	+3.5	312,431,231	295,543,716	6,439,382	—6.4	112,103,435	628,004	—9.2
New Hampshire.....	19,533,188	+4.8	28,462,449	27,016,525	827,084	+1.3	8,929,257	30,148	+36.8
Rhode Island.....	63,051,927	+6.0	96,797,017	93,136,365	3,593,588	—6.9	33,745,192	291,099	—6.6
Vermont.....	10,917,616	+5.5	14,177,827	13,437,817	532,980	—6	3,260,216	15,131	—13.8
Region II–III:									
Delaware.....	13,849,438	+2.5	16,627,561	15,371,612	290,219	—5.7	2,778,127	23,233	+98.5
New Jersey.....	395,279,585	+5.6	468,277,549	441,267,001	20,031,173	—12.1	72,997,967	943,381	+19.0
New York.....	840,376,337	+7.2	1,267,984,905	1,217,008,151	54,967,218	—8	427,608,564	2,203,549	—72.1
Pennsylvania.....	563,253,782	+3.3	779,111,947	743,763,872	16,144,419	—6.3	215,858,170	538,544	—13.8
Region IV:									
District of Columbia.....	41,613,757	+1.2	51,107,902	47,304,484	382,556	+2.2	9,494,149	75,536	—9.5
Maryland.....	110,566,639	+6.2	143,516,583	137,476,971	6,079,596	—6.6	32,949,943	146,947	—16.8
North Carolina.....	91,026,072	+6.0	115,700,299	110,028,622	4,787,817	+17.2	24,674,230	65,210	—4.4
Virginia.....	57,534,196	+4.4	80,402,688	76,132,771	2,182,706	—7.5	22,868,493	39,634	—52.5
West Virginia.....	62,019,359	+5.3	89,121,858	85,035,814	2,939,537	—3.3	27,102,500	103,379	—36.0
Region V:									
Kentucky.....	77,795,176	+5.0	94,114,392	87,976,999	3,572,655	+14.7	16,319,216	157,871	+26.7
Michigan.....	258,949,185	+4.6	428,828,856	411,218,777	12,482,410	—8.9	169,879,674	2,237,811	+103.0
Ohio.....	424,593,074	+5.2	501,958,127	469,174,364	19,311,393	—8.1	77,365,055	160,125	+6.1
Region VI:									
Illinois.....	465,265,733	+4.7	609,091,332	572,014,613	20,145,444	—5.7	143,825,605	1,469,646	—15.5
Indiana.....	162,009,812	+5.9	217,771,221	207,071,895	8,473,451	—4.4	55,761,416	269,277	+36.7
Wisconsin.....	153,851,244	+8.3	182,632,383	170,972,526	11,250,850	+7.5	28,781,138	151,249	+11.2
Region VII:									
Alabama.....	59,620,333	+4.5	85,340,015	81,325,646	2,517,207	+12.0	25,719,686	205,870	+52.9
Florida.....	46,938,255	+8.0	68,486,136	65,705,824	3,457,220	—4.4	21,547,883	208,826	+25.9
Georgia.....	68,739,719	+6.2	85,235,742	80,421,403	3,789,440	+6	16,496,025	74,433	+23.7
Mississippi.....	20,927,590	+8.5	29,800,917	28,639,247	1,567,018	+3.4	8,878,330	31,763	+1.5
South Carolina.....	33,973,903	+5.3	43,553,961	41,022,968	1,615,160	—2.9	9,580,061	46,939	+16.1
Tennessee.....	69,692,161	+8.2	100,486,618	96,703,914	5,316,944	+10.9	30,794,453	373,056	+6.9
Region VIII:									
Iowa.....	53,151,183	+7.0	70,350,975	66,705,877	3,265,170	+2.1	17,199,789	38,916	—32.1
Minnesota.....	74,581,945	+7.6	114,654,496	109,728,922	4,997,158	—3.0	40,072,551	48,297	—12.0
Nebraska.....	22,903,605	+5.7	28,647,888	26,895,267	1,137,457	—2.1	5,744,287	5,302	+64.9
North Dakota.....	4,509,314	+5.1	6,601,822	6,203,488	200,452	+0.2	2,092,510	794	+40.2
South Dakota.....	5,868,851	+2.9	7,252,003	6,690,461	141,185	+11.3	1,383,155	1,515	+1.8
Region IX:									
Arkansas.....	24,911,160	+5.9	33,538,910	31,921,065	1,316,733	+6.9	8,627,752	35,917	—19.7
Kansas.....	46,487,075	+6.9	55,709,941	52,675,100	2,846,499	—2.1	9,222,869	55,724	—17.2
Missouri.....	139,594,632	+5.4	169,678,025	158,649,252	6,691,732	—11.0	30,173,395	233,297	+28.6
Oklahoma.....	42,250,187	+4.9	56,618,458	53,227,642	1,832,638	+1.6	14,368,278	59,601	+22.3
Region X:									
Louisiana.....	65,546,129	+8.1	96,254,113	92,272,457	4,715,590	—4.9	30,707,987	125,699	—9.3
New Mexico.....	8,485,280	+6.0	12,256,025	11,647,319	446,270	+1.7	3,770,749	1,706	+15.9
Texas.....	138,144,004	+5.1	179,007,676	168,350,071	6,126,350	—6.3	40,863,674	125,494	+21.9
Region XI:									
Colorado.....	30,349,200	+4.5	41,330,190	38,999,040	1,102,042	—3.3	10,980,990	12,134	—62.6
Idaho.....	12,581,969	+6.3	19,641,497	18,884,344	688,117	—6.4	7,060,425	4,995	+41.3
Montana.....	15,584,290	+6.5	23,475,221	22,354,978	888,129	—1.3	7,890,931	13,359	+8.9
Utah.....	21,992,417	+6.5	30,567,226	29,407,167	1,274,177	—2.4	8,574,814	40,044	—4.0
Wyoming.....	6,983,202	+5.6	10,374,462	9,864,981	340,537	+10.1	3,391,267	685	+21.9
Region XII:									
Arizona.....	16,538,887	+6.2	22,781,231	21,860,774	908,507	—6.8	6,242,343	17,000	+5.2
California.....	624,141,413	+7.4	857,700,884	820,292,227	42,597,321	—4.4	233,559,471	2,375,494	+27.1
Nevada.....	8,843,415	+6.6	11,946,556	11,505,840	513,535	+2.7	3,103,140	6,463	—1.2
Oregon.....	61,571,193	+7.9	80,347,215	77,213,621	4,238,100	—8	18,776,024	26,498	—2.5
Washington.....	125,385,824	+8.6	149,553,882	143,137,001	9,435,766	—3.2	24,167,560	42,149	+10.3
Territories:									
Alaska.....	6,951,675	+11.0	8,321,491	8,001,980	661,848	+20.4	1,369,816	3,048	—3.0
Hawaii.....	16,168,048	+3.5	17,083,073	15,820,954	468,646	+3	915,027	300	+47.0

<sup>1</sup> Except interest, which is credited and reported by Treasury.<sup>2</sup> Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account in Treasury.<sup>3</sup> Collections represent contributions, penalties, and interest from employers and contributions from employees. Adjusted for refunds and for dishonored contribution checks. Current contribution rates (percent of taxable wages) are: for employers, 2.7 percent except in Michigan, where rate is 3.0 percent; for employees, 1.0 percent in Alabama, California, and New Jersey, and 0.5 percent in Rhode Island. Experience rating, operative in 42 States, modifies above rates. All States collect contributions either wholly or in part on quarterly basis.<sup>4</sup> Interest represents earnings of funds in State accounts in unemployment trust fund and is credited at end of each quarter.<sup>5</sup> Includes \$40,561,886 refunded in 1935 by Federal Government to 15 States, collected on pay rolls for 1936 under title IX of Social Security Act. Excludes contributions through June 30, 1939, on wages earned by workers now subject to Railroad Unemployment Insurance Act.<sup>6</sup> Adjusted for voided benefit checks. Excludes benefits paid under title V of the Servicemen's Readjustment Act of 1944.<sup>7</sup> Includes benefits paid through June 30, 1939, to workers now subject to Railroad Unemployment Insurance Act.



average duration of unemployment was shorter than in any previous year, since comparable ratios for 1943, 1942, and 1940 were 4.1, 5.3, and 6.0.

In the 50 States for which data are available, nearly 523,000 persons—19 percent less than in 1943—received at least one benefit check during 1944. Increases occurred in only 6 States—Arizona, California, Connecticut, Massachusetts, Michigan, and Utah; in Connecticut and Utah, payments were made to more than twice as many individuals. In 15 States the number of beneficiaries was less than half that in 1943, and in 11 other States, the declines ranged from a third to a half.

About 102,000 claimants, or nearly 1 out of every 5 persons who received a benefit check during the year, exhausted their benefit rights. Twenty-three States reported an average of fewer than 100 exhaustions a month.

More than \$63 million was issued in benefits during 1944 to compensate a weekly average of some 79,000 beneficiaries for 4.1 million weeks of unemployment. The average beneficiary received \$118 for approximately 7.7 weeks. Corresponding figures for earlier years were:

Year	Amount per beneficiary	Average duration (weeks)
1940.....	\$100	9.8
1941.....	101	9.4
1942.....	123	10.0
1943.....	122	9.2
1944.....	118	7.7

Although the average amount per beneficiary in 1944 was below both that in 1943 or 1942, average duration has declined at a more rapid rate, with a consequent rise in the average weekly benefit amount. From \$10.56 in 1940, the average weekly check for total unemployment rose to \$15.90 in 1944. Among the States the averages ranged from \$7.91 in North Carolina to \$19.57 in Hawaii. Only one other State (South Dakota) paid an average of less than \$10; in 1943, there were five States with such average amounts. Eight States—California, Connecticut, the District of Columbia, Illinois, Maryland, Hawaii, Michigan, and Utah—issued checks averaging more than \$17 a week; in 1943, the highest State average was \$16.77. In all States but three (Mississippi, South Dakota, and Idaho) the average payment was higher in 1944 than in 1943.

For each dollar collected during the year, only 4.7 cents was paid in benefits. Only two States disbursed more than 10 cents per dollar collected—Michigan, 11.5 cents, and the District of Columbia, 33.7 cents. The District of Columbia's disproportionate ratio may be attributed to a drop in the

employer's contribution rate from the standard 2.7 percent to an average of 0.4 percent under experience rating, combined with an upswing in benefit payments. Four States—Hawaii, New Mexico, Washington, and Wyoming—paid out less than 1 cent in benefits for each dollar collected.

Table 3.—Initial and continued claims received in local offices, by State, December 1944<sup>1</sup>

[Data reported by State agencies,<sup>2</sup> corrected to Jan. 25, 1945]

Social Security Board region and State	Initial claims			Continued claims				Compensable
	Total <sup>1</sup>	Percentage change from—		New	Total <sup>4</sup>	Percentage change from—		
		November 1944	December 1943			November 1944	December 1943	
Total.....	123, 116	+0.5	-13.2		452, 826	+8.6	+9.0	371, 797
Region I:								
Connecticut.....	2, 919	-16.0	+29.2	1, 996	9, 113	-9.7	+152.2	7, 606
Maine.....	1, 934	+58.3	-10.7	1, 084	5, 471	+95.0	+22.3	4, 413
Massachusetts.....	6, 865	-1	-35.2	3, 416	18, 313	+7.4	-14.0	15, 132
New Hampshire.....	311	-28.7	-54.7	192	1, 399	+9.0	-40.6	1, 268
Rhode Island.....	1, 242	-21.0	-43.7	911	6, 524	-5.4	+54.7	6, 179
Vermont.....	132	+23.4	+20.0	83	659	-8.2	+4.8	574
Region II-III:								
Delaware.....	259	+21.6	+102.3	234	781	+2.9	+177.0	729
New Jersey.....	7, 393	-15.6	-11.1	4, 486	26, 519	-6.1	-4.8	22, 655
New York.....	22, 483	-4.7	-19.4	10, 170	69, 849	+7.2	+4.3	46, 968
Pennsylvania <sup>5</sup> .....	3, 770	-13.5	-28.7	3, 770	21, 462	+2.9	-13.2	16, 377
Region IV:								
District of Columbia.....	266	+4	-35.1	233	1, 825	+17.7	-40.3	1, 673
Maryland <sup>5</sup> .....	465	+11.2	-12.4	465	3, 468	+31.0	-19.8	3, 243
North Carolina.....	688	-1.4	-63.8	591	3, 036	-7.3	-43.7	2, 457
Virginia.....	323	-1.5	-43.7	227	1, 543	+43.8	-48.0	1, 415
West Virginia.....	748	+10.2	-46.3	583	3, 497	+2.1	-40.2	3, 262
Region V:								
Kentucky.....	1, 210	-23.0	-40.7	972	8, 614	+7.9	-19.4	8, 099
Michigan.....	14, 458	-12.4	+99.2	11, 021	61, 912	+17.1	+447.3	54, 482
Ohio <sup>5</sup> .....	2, 503	-11.1	-53.8	2, 503	7, 632	+8.0	-25.5	5, 600
Region VI:								
Illinois.....	13, 314	-2.6	-23.2	6, 626	37, 278	-3.0	+3	31, 991
Indiana <sup>5</sup> .....	5, 865	+177.4	+139.1	5, 865	8, 949	+23.5	-43.7	6, 452
Wisconsin.....	1, 021	+12.6	-77.7	( <sup>5</sup> )	5, 309	+9.6	-58.6	4, 286
Region VII:								
Alabama.....	632	-19.4	-43.4	504	5, 995	-9.8	-8.5	5, 567
Florida <sup>5</sup> .....	3, 426	+178.8	+107.9	3, 426	8, 038	-15.0	-6.4	6, 625
Georgia.....	587	-37.3	-30.2	435	3, 564	+23.7	-41.9	2, 777
Mississippi.....	504	+66.9	+2	440	2, 441	+35.7	-10.4	1, 975
South Carolina.....	509	-2.3	-52.7	415	3, 088	+14.5	-53.4	2, 693
Tennessee.....	2, 067	-14.5	+45.0	1, 685	15, 504	+4.1	+29.6	14, 050
Region VIII:								
Iowa.....	694	+38.5	-36.3	534	2, 296	+33.5	-7	1, 670
Minnesota.....	1, 380	+75.3	-45.1	1, 113	3, 266	+80.0	-38.6	2, 300
Nebraska.....	154	+152.5	-38.9	100	327	+32.9	-42.5	252
North Dakota.....	33	( <sup>5</sup> )	( <sup>5</sup> )	30	117	+101.7	-29.9	102
South Dakota.....	66	( <sup>5</sup> )	-41.6	44	251	+17.3	-45.8	238
Region IX:								
Arkansas.....	394	-23.6	-54.5	334	2, 238	-9.4	-53.9	2, 052
Kansas.....	617	+19.1	-32.9	487	2, 637	+25.5	-20.1	2, 271
Missouri.....	1, 913	-17.9	-63.0	1, 500	8, 278	-9.7	-42.0	6, 812
Oklahoma.....	524	-5.2	-60.7	413	2, 759	+5.5	-45.5	2, 595
Region X:								
Louisiana.....	931	+15.2	-22.4	750	4, 485	+21.0	-18.5	3, 979
New Mexico.....	48	( <sup>5</sup> )	( <sup>5</sup> )	45	205	+30.6	-26.0	187
Texas.....	1, 493	-6.6	-11.6	( <sup>5</sup> )	9, 038	+1.7	-3.7	8, 291
Region XI:								
Colorado.....	172	+6.2	-73.7	130	581	+11.9	-60.9	482
Idaho.....	86	( <sup>5</sup> )	-31.2	81	275	+29.1	-21.7	207
Montana.....	126	+21.2	+10.5	83	710	+24.1	+81.1	546
Utah.....	213	+32.3	-15.8	160	954	+28.6	+42.6	820
Wyoming.....	10	( <sup>5</sup> )	( <sup>5</sup> )	10	29	( <sup>5</sup> )	( <sup>5</sup> )	26
Region XII:								
Arizona.....	257	-13.2	-41.3	225	998	+16.6	-3.1	929
California.....	15, 686	-3.1	+25.5	8, 458	68, 913	+21.9	+77.0	56, 948
Nevada.....	70	-16.7	( <sup>5</sup> )	57	225	-39.4	+30.1	194
Oregon.....	1, 083	+267.1	+5.1	797	1, 464	+87.0	+1.0	1, 082
Washington.....	1, 230	+96.5	+9.7	795	1, 771	+57.8	-6.7	1, 350
Territories:								
Alaska.....	42	( <sup>5</sup> )	( <sup>5</sup> )	30	117	+72.1	-4.9	89
Hawaii.....	10	( <sup>5</sup> )	( <sup>5</sup> )	10	9	( <sup>5</sup> )	( <sup>5</sup> )	7

<sup>1</sup> Excludes all claims taken under title V of the Servicemen's Readjustment Act of 1944.

<sup>2</sup> Except claims taken by U. S. Employment Service personnel, which are reported by War Manpower Commission.

<sup>3</sup> Includes additional claims, except in Florida, Indiana, Maryland, Ohio, Pennsylvania.

<sup>4</sup> Includes waiting-period claims.

<sup>5</sup> State procedures do not provide for filing additional claims.

<sup>6</sup> Excludes all claims for partial unemployment.

<sup>7</sup> Data not comparable.

<sup>8</sup> Not computed, because fewer than 50 claims were reported in either or both periods.

<sup>9</sup> Data not available.

Since benefits first became payable, a national average of 32 cents has been paid in benefits for each dollar collected, with a range from 7.3 cents in Hawaii to more than 48 cents in Michigan, Montana, and North Dakota. At least a third of total contributions collected in the State has

been paid out in benefits in each of 22 States.

A net amount of \$1,317 million was collected in contributions during the year, 0.6 percent below 1943 receipts. Funds available for benefits increased 29 percent over the year to \$6.1 billion as of December 31.

Interstate activities fell off slightly during the year. Continued claims received as agent State—528,000 for the year—declined from 10.4 percent of all continued claims received in 1943 to 9.6 percent in 1944. States issued 7.3 percent of all benefit payments to out-of-State claimants in

Table 4.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, December 1944, and average weekly benefit amount paid for total unemployment, October–December and July–September 1944, by State<sup>1</sup>

[Data reported by State agencies, corrected to Jan. 25, 1945]

Social Security Board region and State	Beneficiaries			Weeks compensated for specified types of unemployment				Benefits paid <sup>4</sup>			Average weekly benefit amount <sup>5</sup>	
	Average weekly number <sup>2</sup>	Percentage change from—		All types	Total	Part- total <sup>3</sup>	Partial <sup>3</sup>	Amount	Percentage change from—		October- December 1944	July- September 1944
		November 1944	December 1943						November 1944	December 1943		
Total.....	74,965	+5.0	+16.4	324,861	293,058	6,394	23,162	\$5,194,353	+5.6	+21.5	\$16.54	\$15.95
Region I:												
Connecticut.....	1,648	-5.5	+181.2	7,142	6,390	170	582	131,624	-5.6	+170.7	10.29	10.25
Maine.....	865	+87.2	+8.1	3,749	2,259	57	1,433	38,063	+59.6	+14.3	12.25	11.50
Massachusetts.....	3,198	-3.7	+2.4	13,858	11,828	74	2,156	206,118	-5.7	-10.0	16.59	16.23
New Hampshire.....	267	+19.2	-37.3	1,159	902	3	254	12,003	+19.5	-38.7	11.38	11.47
Rhode Island.....	1,425	-5.2	+48.4	6,177	5,119	0	1,058	95,697	-4.9	+45.9	16.61	16.24
Vermont.....	115	+15.0	+7.5	498	482	3	13	6,226	+12.9	+3.9	12.60	12.01
Region II-III:												
Delaware.....	167	+4.4	+203.6	722	361	10	351	8,657	-4.0	+169.9	16.21	14.00
New Jersey.....	4,911	-8	-2.8	21,283	18,654	34	2,595	335,674	-2.1	+6	16.77	16.47
New York.....	10,980	+8	-2.3	47,578	45,321	( <sup>6</sup> )	( <sup>6</sup> )	780,245	+1.7	+3.3	16.59	16.40
Pennsylvania.....	2,925	+10.7	-26.2	12,676	12,676	( <sup>6</sup> )	( <sup>6</sup> )	196,742	+11.7	-28.2	15.42	15.07
Region IV:												
District of Columbia.....	364	+15.6	-36.0	1,578	1,513	57	8	28,082	+15.3	-40.2	17.86	17.49
Maryland.....	819	+24.7	-4	3,547	2,792	19	736	59,279	+28.8	-1.1	18.50	17.87
North Carolina.....	466	-9.2	-28.3	2,020	1,921	13	86	19,503	-9.4	-26.6	9.94	9.09
Virginia.....	333	+57.1	-49.3	1,444	1,376	16	52	16,602	+49.2	-55.7	11.95	10.19
West Virginia.....	486	-7.6	-50.1	2,107	1,829	0	278	32,855	-3.1	-49.9	14.88	14.11
Region V:												
Kentucky.....	1,311	+16.5	-16.9	5,679	5,381	262	36	61,695	+21.7	-14.0	10.88	9.84
Michigan.....	9,706	+5	+446.8	42,061	41,739	173	149	815,902	+5	+374.3	19.43	19.18
Ohio.....	1,076	+14.1	-4.9	4,663	4,408	100	155	60,137	+14.8	-19.3	14.42	14.35
Region VI:												
Illinois.....	7,274	+2.0	+7.6	31,522	26,424	1,862	3,236	523,518	+7.1	+12.5	17.98	17.89
Indiana.....	1,584	+20.1	-31.6	6,862	6,432	96	334	108,905	+21.9	-34.2	16.19	15.74
Wisconsin.....	941	+7.1	-31.3	4,078	3,155	167	756	55,910	+9.0	-37.0	14.13	13.87
Region VII:												
Alabama.....	1,192	-17.8	+3.1	5,167	5,074	63	30	61,120	-16.7	+9	11.80	11.04
Florida.....	804	-48.7	-7	3,485	3,235	189	61	44,692	-46.0	-2.0	12.88	12.49
Georgia.....	571	+31.9	-30.6	2,476	2,233	22	221	31,031	+32.0	-24.4	12.70	10.13
Mississippi.....	271	+27.8	-1.1	1,174	824	24	326	11,396	+17.9	-27.6	11.47	11.10
South Carolina.....	391	+24.9	-53.5	1,694	1,639	23	32	18,964	+23.3	-52.7	11.36	11.26
Tennessee.....	2,739	+15.5	+32.7	11,867	11,535	157	175	140,625	+18.1	+22.8	11.81	11.44
Region VIII:												
Iowa.....	316	+36.8	+23.9	1,371	1,308	46	17	17,215	+43.1	+28.7	12.39	12.09
Minnesota.....	424	+94.5	-22.2	1,837	1,653	120	64	26,544	+93.5	-22.6	14.74	13.86
Nebraska.....	39	( <sup>6</sup> )	( <sup>6</sup> )	169	148	3	18	1,972	+41.0	-66.4	11.68	11.44
North Dakota.....	9	( <sup>6</sup> )	( <sup>6</sup> )	37	28	5	4	448	+99.1	-30.2	12.75	11.57
South Dakota.....	22	( <sup>6</sup> )	( <sup>6</sup> )	95	92	1	2	844	+115.3	-58.5	9.02	9.29
Region IX:												
Arkansas.....	255	+2.0	-59.5	1,107	1,087	20	0	12,526	+4.5	-60.7	11.35	10.50
Kansas.....	426	+30.3	-40.3	1,844	1,607	67	170	22,334	+24.7	-49.6	13.13	13.07
Missouri.....	1,406	+1.0	-10.6	6,094	4,964	136	994	76,900	-4.2	-21.6	14.36	14.92
Oklahoma.....	306	-3.5	-43.5	1,326	1,158	80	88	19,133	-2.7	-45.5	14.93	14.58
Region X:												
Louisiana.....	761	+19.8	+15.8	3,298	2,965	57	276	47,842	+16.2	+7.2	15.10	13.92
New Mexico.....	15	( <sup>6</sup> )	( <sup>6</sup> )	66	63	1	2	738	+41.1	-18.3	11.55	11.40
Texas.....	828	-2.2	+24.9	3,586	3,412	174	0	43,538	+1.3	+27.4	11.87	11.05
Region XI:												
Colorado.....	81	-1.2	-39.1	350	334	5	11	4,676	-2.1	-51.8	13.55	13.18
Idaho.....	35	( <sup>6</sup> )	( <sup>6</sup> )	152	150	2	0	2,248	+36.9	+4.2	14.00	11.28
Montana.....	97	+15.5	+79.6	420	420	( <sup>6</sup> )	( <sup>6</sup> )	5,196	+15.9	+59.4	12.27	11.87
Utah.....	190	+25.8	+104.3	825	772	52	1	15,748	+29.0	+97.4	19.18	19.00
Wyoming.....	3	( <sup>6</sup> )	( <sup>6</sup> )	15	15	0	0	186	-15.5	+63.2	11.78	13.86
Region XII:												
Arizona.....	94	-5.1	+56.7	408	374	34	0	5,570	-6.1	+30.9	14.23	14.35
California.....	12,136	+13.6	+74.4	52,591	44,774	1,870	5,947	938,877	+14.7	+88.0	18.69	18.43
Nevada.....	43	( <sup>6</sup> )	( <sup>6</sup> )	186	182	2	2	2,727	+43.7	-3.3	14.72	14.73
Oregon.....	267	+167.0	+47.5	1,159	963	55	111	15,744	+175.1	+45.1	14.33	14.45
Washington.....	365	+78.0	+75.5	1,581	1,182	60	339	21,859	+78.0	+42.4	14.22	12.40
Territories:												
Alaska.....	16	( <sup>6</sup> )	( <sup>6</sup> )	69	69	0	0	1,085	+12.2	+38.4	15.39	13.85
Hawaii.....	2	( <sup>6</sup> )	( <sup>6</sup> )	9	6	0	3	149	+71.3	-68.2	18.62	18.96

<sup>1</sup> Excludes activities under title V of the Servicemen's Readjustment Act of 1944.

<sup>2</sup> Computed by dividing all weeks compensated during the month by 43.

<sup>3</sup> Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.

<sup>4</sup> Not adjusted for voided benefit checks.

<sup>5</sup> Computed by dividing benefits paid by number of weeks compensated for total unemployment.

<sup>6</sup> Not computed, because fewer than 50 beneficiaries were reported in either or both periods.

1944, in contrast to 8.5 percent in 1943.

In Arkansas, Nevada, New Mexico, and South Dakota, more than half the continued claims received were filed by interstate claimants. Nine States issued more than 20 percent of their benefit checks to out-of-State claimants, and 14 others, more than 10 percent; the percentages ranged from 1.1 in Wisconsin to 87 in Hawaii.

## Weekly Benefit Amount in Unemployment Compensation

In their annual messages to State legislatures (see pp. 2-3 of this issue), almost half the Governors recom-

mended legislative changes to strengthen and extend provisions of State unemployment compensation laws. In any consideration of changes which involve the weekly benefit amount, a study of trends in these provisions and experience with them may provide useful background information.

In provisions for determining the weekly benefit amount, the predominant change has been the switch from full-time weekly earnings to highest quarterly earnings as a base (table 6). At the end of 1937, 32 States based the weekly benefit amount on full-time weekly wages or, as an alternative, on highest quarterly earnings. By the end of September 1944 only 3 States had such provisions and 40 States were using highest quarterly earnings only. No States based benefits on annual earnings in 1937, but 7 States had adopted such provisions by 1941.

Only 2 State laws provided a maximum weekly benefit amount above \$15 at the end of 1937 (table 7). By 1944, however, 29 States had maximums above that amount; 22 States still had maximums of \$15, and only 1 State had a maximum above \$20.

The increase in the maximum, as well as the rise in weekly earnings, is reflected in the rise in the average weekly benefit amount for total unemployment from \$10.68 in 1938 to \$15.95 for the third quarter of 1944 (table 8). Eighteen States, however,

Table 6.—Number of States with specified provision for computing weekly benefit amount, as of specified period

Base for weekly benefit amount and fraction of wages or earnings	Number of States		
	Dec. 31, 1937	Dec. 31, 1941	Sept. 30, 1944
Total.....	51	51	51
Average weekly wage with employer.....	1	1	1
Full-time weekly wage.....	10	0	0
Full-time weekly wage with alternative of highest quarterly earnings.....	32	5	3
1/20.....	32	4	2
Highest quarterly earnings <sup>1</sup> .....	0	38	40
6 percent.....	0	1	1
1/20.....	0	9	11
1/22 to 1/25.....	5	13	13
1/26.....	4	8	9
Weighted schedule.....	0	7	6
Annual earnings (weighted schedule).....	0	7	7

<sup>1</sup> Some of these State laws computed so-called full-time weekly wage as an average wage.

<sup>2</sup> Includes States computing so-called full-time weekly wage solely as a fraction of highest quarterly earnings.

Table 5.—Ratio of benefits<sup>1</sup> to collections,<sup>2</sup> by State, by specified period through December 1944

[Based on data reported by State agencies,<sup>3</sup> corrected to Jan. 29, 1945]

Social Security Board region and State	Month and year benefits first payable	Ratio (percent) of—		
		Benefits to collections January–December 1944	Benefits to collections since benefits first payable	Total benefits to cumulative collections and interest
Total.....		4.7	<sup>4</sup> 31.9	26.4
Region I:				
Connecticut.....	Jan. 1938.....	4.4	18.9	16.3
Maine.....	do.....	4.1	35.5	31.5
Massachusetts.....	do.....	9.9	44.1	35.9
New Hampshire.....	do.....	4.9	39.1	31.4
Rhode Island.....	do.....	8.3	39.6	34.9
Vermont.....	do.....	3.2	27.1	23.0
Region II–III:				
Delaware.....	Jan. 1939.....	5.7	24.1	16.7
New Jersey.....	do.....	4.7	19.4	15.6
New York.....	Jan. 1938.....	4.6	38.2	33.7
Pennsylvania.....	do.....	3.0	32.0	27.7
Region IV:				
District of Columbia.....	do.....	33.7	22.9	18.6
Maryland.....	do.....	3.0	25.6	23.0
North Carolina.....	do.....	1.8	24.5	21.3
Virginia.....	do.....	3.5	33.7	28.4
West Virginia.....	do.....	5.7	36.2	30.4
Region V:				
Kentucky.....	Jan. 1939.....	5.5	23.5	17.3
Michigan.....	July 1938.....	11.5	48.7	39.6
Ohio.....	Jan. 1939.....	1.4	20.7	15.4
Region VI:				
Illinois.....	July 1939.....	8.7	34.1	23.6
Indiana.....	Apr. 1938.....	4.6	30.9	25.6
Wisconsin.....	July 1936.....	3.0	<sup>4</sup> 19.1	15.8
Region VII:				
Alabama.....	Jan. 1938.....	5.1	25.4	30.1
Florida.....	Jan. 1939.....	4.2	38.5	31.5
Georgia.....	do.....	2.4	25.3	19.4
Mississippi.....	Apr. 1938.....	2.7	34.4	29.8
South Carolina.....	July 1938.....	4.1	27.5	22.0
Tennessee.....	Jan. 1938.....	6.4	34.6	30.6
Region VIII:				
Iowa.....	July 1938.....	2.2	30.2	24.4
Minnesota.....	Jan. 1938.....	2.7	40.9	35.0
Nebraska.....	Jan. 1939.....	2.3	28.8	20.1
North Dakota.....	do.....	1.8	48.2	31.7
South Dakota.....	do.....	4.0	29.0	19.1
Region IX:				
Arkansas.....	do.....	3.9	32.3	25.7
Kansas.....	do.....	4.2	21.6	16.6
Missouri.....	do.....	5.7	24.1	17.8
Oklahoma.....	Dec. 1938.....	4.9	35.2	25.4
Region X:				
Louisiana.....	Jan. 1938.....	3.1	26.2	31.9
New Mexico.....	Dec. 1938.....	.6	40.8	30.8
Texas.....	Jan. 1938.....	1.8	27.5	22.8
Region XI:				
Colorado.....	Jan. 1939.....	2.7	26.3	26.6
Idaho.....	Sept. 1938.....	1.9	44.3	35.9
Montana.....	July 1939.....	2.7	48.5	33.6
Utah.....	Jan. 1938.....	3.6	31.9	28.1
Wyoming.....	Jan. 1939.....	.2	45.2	32.7
Region XII:				
Arizona.....	Jan. 1938.....	2.8	31.4	27.4
California.....	do.....	5.8	31.0	27.2
Nevada.....	Jan. 1939.....	1.6	31.0	26.0
Oregon.....	Jan. 1938.....	1.0	26.3	23.4
Washington.....	Jan. 1939.....	.7	19.4	16.2
Territories:				
Alaska.....	do.....	1.3	19.2	16.5
Hawaii.....	do.....	.4	7.3	5.4

<sup>1</sup> Adjusted for voided benefit checks. Excludes benefits paid under title V of the Servicemen's Readjustment Act of 1944.

<sup>2</sup> See table 2, footnotes 3 and 5.

<sup>3</sup> Except interest, which is credited and reported by Treasury.

<sup>4</sup> Ratio for Wisconsin based on benefits and collections since Jan. 1, 1938.



Table 7.—Number of States with specified maximum weekly benefit amount under State unemployment compensation laws, as of specified period

Maximum weekly benefit amount	Number of States		
	Dec. 31, 1937	Dec. 31, 1941	Sept. 30, 1944
Total.....	51	51	51
\$15.00.....	49	30	22
16.00.....	1	7	4
17.00.....	0	2	0
18.00.....	1	0	14
20.00.....	0	3	10
22.00.....	0	0	1

Table 8.—Number of States with specified average weekly benefit amount paid for total unemployment under State unemployment compensation laws, as of specified period

Average weekly benefit amount	Number of States				
	1938	1940	1942	1943	July-Sept. 1944
Total.....	22	51	51	51	51
Average, United States.....	\$10.68	\$10.56	\$12.66	\$13.84	\$15.95
Less than \$10.....	11	30	16	5	3
10.00-11.99.....	10	13	13	15	15
12.00-13.99.....	1	7	16	13	11
14.00-15.99.....	0	1	5	15	10
16.00 or more.....	0	0	1	3	12

<sup>1</sup> Includes only those States in which unemployment benefits were payable throughout 1938, but excludes North Carolina, for which data were not reported.

Table 10.—Maximum weekly benefit amount as of September 30, 1944, and estimated average weekly earnings of covered workers during January-March 1944,<sup>1</sup> by State

\$15 maximum		\$16 maximum		\$18 maximum		\$20 maximum		\$22 maximum	
State	Average weekly earnings	State	Average weekly earnings	State	Average weekly earnings	State	Average weekly earnings	State	Average weekly earnings
Oreg.....	\$47	Alaska.....	\$66	N. J.....	\$48	Mich.....	\$54	Conn.....	\$40
Wash.....	46	Ohio.....	47	Ind.....	45	Calif.....	50		
Nev.....	45	Okla.....	40	N. Y.....	45	Ill.....	44		
Kans.....	43	Ky.....	35	Del.....	44	Md.....	43		
Tex.....	38			W. Va.....	42	Wis.....	42		
Ariz.....	37			Pa.....	41	Hawaii.....	40		
Colo.....	36			Maine.....	40	Utah.....	40		
Mont.....	36			Mass.....	40	Wyo.....	39		
Nebr.....	36			R. I.....	40	D. C.....	38		
Vt.....	35			Mo.....	38	Minn.....	38		
Iowa.....	34			La.....	36				
Tenn.....	34			Idaho.....	33				
Fla.....	33			N. H.....	32				
Va.....	33			Ga.....	29				
Ala.....	32								
N. Mex.....	30								
S. Dak.....	29								
N. Dak.....	28								
N. C.....	27								
Ark.....	26								
Miss.....	26								
S. C.....	25								

<sup>1</sup> Average quarterly earnings computed by dividing total earnings of covered workers in covered employment by average monthly number of workers in first quarter of 1944. Average weekly earnings are  $\frac{1}{4}$  of average quarterly earnings.

Table 9.—Number of States with percent of payments for total unemployment at maximum weekly benefit amount payable under State unemployment compensation laws, 1942 and 1943<sup>1</sup>

Percent of payments at maximum weekly benefit amount	Number of States	
	1942	1943
Total.....	44	40
Under 30.....	28	7
30-39.....	8	11
40-49.....	4	7
50-59.....	1	6
60-69.....	1	5
70 and over.....	2	4

<sup>1</sup> For 44 States in 1942 and 40 States in 1943. In the remaining States the maximum weekly benefit amount was revised within the year, and benefits were paid at both the old and new maximum rates.

were still paying an average weekly benefit amount of less than \$12.

The cluster of benefit payments for total unemployment at the maximum gives some indication of the extent to which existing provisions are restricting the size of benefit payments. In 1942, only 4 States out of 44 from which comparable data are available made 50 percent or more of their payments at the maximum (table 9). By 1943, 15 out of 40 States were making 50 percent or more of their payments at the maximum, and in 4 of these States 70 percent or more of the payments were at the maximum.

Table 10 indicates that existing maximum benefit amounts in State laws are not a reflection of weekly wages. Among the 22 States with a \$15 maximum, average weekly earn-

ings in the first quarter of 1944 ranged from \$25 in South Carolina to \$47 in Oregon. Maximum benefits are higher in Georgia, New Hampshire, Idaho, Louisiana, and Missouri than in Oregon, Washington, Nevada, and Kansas, although average weekly wages in the former group of States are lower than in the latter.

## Employment Service Operations\*

### Labor-Market Developments

The civilian labor force of 51.3 million persons in December was smaller than in any other month of 1944 except February and less than in any December since the Bureau of the Census began issuing estimates in 1940. The number of men was 1 percent less than in November and the number of women 3 percent less, about the same percentage declines as a year earlier.

The number of employed civilians in December—50.6 million—was only 200,000 more than the number employed when this country entered the war. Nonagricultural employment increased 90,000 over that in November, while agricultural employment declined by a million.

The total number of unemployed persons was the same as in November—680,000—but there were 50,000 more unemployed men and 50,000 fewer unemployed women. The estimate of 41.7 million persons not in the labor market was still below the 1943 level; during December about 1.5 million nonworkers entered the labor force and 2.4 million persons left to return to full-time school, housework, or other activities.

According to the War Manpower Commission's revised labor-market area classification, effective January 1, 1945, four areas, including one previously unclassified, were added to Group I (areas of acute labor shortages) bringing the total for January to 72, as compared with 68 in December. The newly classified city was Borger, Texas, where production of high-octane gasoline has fallen behind schedule and the local labor supply is practically exhausted. Other

\*Data from Reports and Analysis Service, War Manpower Commission, and from published releases of other Government agencies.

Table 11.—Nonagricultural placements, by State, December 1944

War Manpower Commission region and State	Total			Short-time, number	Women		Nonwhite	
	Number	Percentage change from—			Number	Percent- age change from November 1944	Number	Percent- age change from November 1944 <sup>1</sup>
		November 1944	December 1943					
Total.....	883,452	-14.6	+22.5	112,891	230,935	-26.2	150,001	-18.9
Region I:								
Connecticut.....	10,818	-9.4	+18.1	341	2,916	-17.4	704	-19.7
Maine.....	4,741	-4.2	-6.3	193	1,237	-19.2	9	-----
Massachusetts.....	21,271	-14.7	-4.4	163	8,210	-26.3	652	-17.9
New Hampshire.....	1,923	-4.0	-8.5	67	793	-20.2	5	-----
Rhode Island.....	5,283	-17.7	-7.8	12	1,923	-30.1	111	-31.9
Vermont.....	1,140	-16.5	+22.7	6	297	-36.1	0	-----
Region II:								
New York.....	84,446	-7.5	+14.0	30,350	30,695	-12.9	26,410	-7.5
Region III:								
Delaware.....	1,560	-41.7	+5	0	469	-57.2	498	-57.7
New Jersey.....	28,425	-15.2	+8.5	361	10,616	-21.1	4,544	-24.3
Pennsylvania.....	51,283	-16.5	+28.9	1,019	13,521	-30.4	8,060	-18.7
Region IV:								
District of Columbia.....	3,544	-12.1	+5.5	90	1,707	-18.2	2,102	-15.2
Maryland.....	8,397	-52.3	-10.9	1	2,605	-66.6	2,569	-51.6
North Carolina.....	15,521	-28.6	+3.1	215	4,730	-36.5	5,257	-20.2
Virginia.....	18,561	-20.9	+96.2	43	6,293	-21.3	6,357	-14.9
West Virginia.....	9,154	-32.0	+27.4	203	1,701	-58.4	441	-24.9
Region V:								
Kentucky.....	11,411	-8.9	-24.7	190	3,231	-19.3	1,760	+18.4
Michigan.....	33,559	-8.8	+28.3	373	5,394	-24.6	4,939	-20.8
Ohio.....	53,040	-13.8	+7.8	9,174	13,762	-24.7	9,712	-21.1
Region VI:								
Illinois.....	67,966	+2.7	+196.0	37,238	7,320	-29.9	5,167	-20.9
Indiana.....	24,206	-22.8	+8.5	2,114	5,444	-40.9	2,440	-29.6
Wisconsin.....	16,138	-9.6	+35.8	342	3,692	-24.4	585	-44.1
Region VII:								
Alabama.....	18,161	-24.9	+35.0	29	4,623	-35.9	4,699	-27.4
Florida.....	17,664	-16.7	+2.5	775	6,616	-22.3	4,779	-18.8
Georgia.....	19,334	-26.8	+32.5	92	6,608	-33.2	3,961	-35.4
Mississippi.....	8,238	-28.4	+5.3	69	2,850	-32.8	3,108	-30.8
South Carolina.....	11,297	-27.3	+224.1	59	4,036	-34.1	2,840	-30.5
Tennessee.....	19,264	-19.6	+19.3	220	4,043	-31.6	4,358	-16.7
Region VIII:								
Iowa.....	12,380	+22.7	-8.0	137	3,055	-12.7	258	-47.0
Minnesota.....	14,862	-14.8	+19.6	2,966	3,294	-25.8	203	-23.1
Nebraska.....	6,307	+2.4	+38.7	280	1,445	-18.0	480	+1.1
North Dakota.....	1,486	-28.3	-13.5	162	368	-36.0	50	-48.5
South Dakota.....	1,676	+11.6	+46.5	125	467	-11.7	79	-15.1
Region IX:								
Arkansas.....	11,157	+5.6	+66.6	229	2,419	-17.9	2,628	-4.9
Kansas.....	10,230	-1.4	+49.9	350	2,694	-14.5	1,087	-7.8
Missouri.....	25,168	-7.6	+43.6	355	4,799	-29.4	4,063	-10.0
Oklahoma.....	12,262	-4.1	+72.9	550	2,294	-16.9	1,277	-1.8
Region X:								
Louisiana.....	8,492	-21.4	+2.3	37	1,777	-32.4	3,174	-26.5
New Mexico.....	3,058	-2.2	+81.5	5	453	-13.4	262	+14.9
Texas.....	47,846	-21.8	+12.9	2,775	9,986	-36.5	13,257	-21.7
Region XI:								
Colorado.....	9,225	-9.1	+4.0	1,638	1,781	-12.5	252	+8
Idaho.....	2,518	-25.5	-21.8	165	379	-31.2	10	-----
Montana.....	2,599	-28.7	+21.6	153	270	-22.6	44	-----
Utah.....	5,980	+6.2	-11.5	265	1,487	+1.6	141	-43.1
Wyoming.....	2,180	+8.1	+2.0	31	328	-11.6	43	-----
Region XII:								
Arizona.....	6,019	-6.1	+26.0	37	1,801	-11.7	631	-15.8
California.....	91,519	-18.2	+36.2	12,751	25,148	-20.4	12,159	-5.7
Nevada.....	2,156	-17.7	-11.8	437	591	-16.1	257	-25.9
Oregon.....	16,073	-5.4	+12.0	1,338	4,333	-4.4	680	-10.5
Washington.....	23,944	-14.9	-29.2	4,348	5,834	-26.9	3,019	-16.2

- 1 Computed only for States reporting 50 or more nonwhite placements in both months.

shifts among groups resulted in a net decrease of one area in Group II and two areas in Group III. Although there were 59 more labor-shortage areas classified in December 1943 than in 1944, at the end of 1944 the numbers in Group I (68 areas) and Group II (119) were nearly the same as at the end of 1943.

#### Placement Activities

December nonfarm placements—883,000—were 15 percent fewer than in November but 22 percent more than a year earlier. Only 7 States reported

more placements than in November. The decreases in the other 42 States ranged from 1.4 percent in Kansas to 52.3 percent in Maryland and in 15 States exceeded 20 percent. In comparison with December 1943, nonfarm placements increased in all but 12 States; the number almost doubled in Virginia, almost tripled in Illinois, and more than tripled in South Carolina. Placements of women were the fewest in number since February 1943 and made up only 26 percent of all placements, as compared with 30-38 percent in every other month of 1943 and

1944. More than one-eighth of all nonfarm placements were short-time, the largest proportion this year.

During 1944, WMC made 11.4 million placements, 22 percent more than in 1943. The increase in placements was 14 percent for women and 32 percent for nonwhite workers, although the numerical increase—about 500,000—was the same for both.

Nonagricultural placements of veterans during 1944 were more than double the number in 1943. The high month was August, when 83,600 jobs were filled by veterans. In December, veterans' placements numbered 77,700, of which 60,000 were those of World War II veterans. During the last 9 months of 1944, placements of veterans of the present war made up about 5 percent of all placements. Beginning January 8, a U. S. Employment Service representative will be located in each of the 17 Army separation centers throughout the country to encourage discharged veterans to take jobs in critical production. USES personnel also register disabled veterans at service hospitals before they are discharged from the armed forces.

## Railroad Unemployment Insurance and Employment Service\*

### Employment Service

Although the manpower situation in the country as a whole tightened in December, the recruitment of temporary and short-term workers for mail and express handling resulted in a large increase in placements. Off-duty members of the armed forces formed a valuable adjunct to regular railroad workers, and congestion of shipments at terminals proved to be less serious than it was a year earlier.

Board offices reported 159,000 placements, a third more than in the preceding month and double the number for December 1943. This increase was primarily due to a gain of more than 40,000 in complete placements, which numbered 135,000 for the month. There were 24,100 supplementary

\*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

placements, 18,400 made in cooperation with the U. S. Employment Service and 5,700 resulting from clearances under manpower-control regulations of workers hired directly at an employer office.

Recruitment on the original national priority order for brakemen, switchmen, and firemen for 13 western carriers was concluded. At the same time, however, a "category 1" priority, the highest current national rating, was granted for the recruitment of 1,986 switchmen, 1,840 brakemen, and 403 firemen for these carriers during January and February.

During December, approximately 4,500 Mexicans entered the country for railroad work. Present schedules call for the recruitment of 23,000 additional Mexican workers during the first quarter of 1945. Negotiations have started between the Mexican Government and the War Manpower Commission to effect the orderly repatriation of Mexican nationals employed by the railroads at the end of the war.

#### Unemployment Insurance Operations

All railroad unemployment insurance activities increased in December. The number of claims received rose 2,060 above the number in November, while benefit certifications increased by 858. All operations were at a higher level than in December 1943. More than four-fifths of the workers

Table 13.—*Railroad unemployment insurance: Number of certifications, average payment, and average number of compensable days, benefit year 1944-45, by month*<sup>1</sup>

Type of certification and period	All certifications				Percent of certifications with specified days of unemployment <sup>2</sup>			
	Number	Average payment	Average daily benefit	Average compensable days <sup>3</sup>	Total	14 days	8-13 days	5-7 days
<b>Certifications for first registration period:</b>								
July 1944.....	219	\$21.28	\$3.31	6.44	100.0	82.2	17.8	-----
August.....	498	20.76	3.34	6.21	100.0	73.9	26.1	-----
September.....	310	21.45	3.41	6.29	100.0	74.8	25.2	-----
October.....	360	20.85	3.37	6.19	100.0	76.4	23.6	-----
November.....	370	19.62	3.16	6.22	100.0	75.1	24.9	-----
December.....	879	21.38	3.34	6.40	100.0	79.5	20.5	-----
<b>Certifications for subsequent registration periods:</b>								
July 1944.....	7	25.46	2.62	9.71	100.0	71.4	28.6	0.0
August.....	859	30.11	3.31	9.10	100.0	76.6	19.3	4.1
September.....	1,150	28.72	3.22	8.92	100.0	74.9	19.6	5.5
October.....	1,329	28.93	3.23	8.95	100.0	75.4	19.6	5.0
November.....	1,509	28.48	3.16	9.01	100.0	75.9	19.1	5.0
December.....	1,852	27.60	3.16	8.72	100.0	71.9	19.1	9.0

<sup>1</sup> Data cover only certifications for unemployment in the current benefit year. All data are based on a complete tabulation.

<sup>2</sup> Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

whose applications for certificate of benefit rights marked their first period of unemployment in the current benefit year were in the northern regions, where winter weather curtailed outdoor railroad activity at some points. Of all claims filed, more than half were received in the Chicago and Minneapolis regions.

About half of the 882 new benefit accounts established were for laborers, principally from section gangs and ore docks, and one-fifth were for firemen, brakemen, switchmen, and hostlers. Although the proportion of initial payments made to laborers was larger than in November, most of

those who had worked on ore docks were qualified for high benefit rates and were unemployed for the entire registration period. Consequently the average initial payment was \$1.76 larger than in November. The average payment for subsequent periods, however, was 88 cents less. Final payments, exhausting current benefit-year accounts, were made to 107 claimants whose unemployment had been continuous or nearly continuous since early in the benefit year. Such claimants were for the most part older men or workers in smaller communities where jobs were not readily available.

Table 12.—*Railroad unemployment insurance: Placements, applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1943-45*

Period	1944-45					1943-44				
	Placements	Applications <sup>1</sup>	Claims	Benefit payments <sup>2</sup>		Placements	Applications <sup>1</sup>	Claims	Benefit payments <sup>2</sup>	
				Number	Amount				Number	Amount
July-December.....	663,628	5,412	14,170	9,891	\$262,571	236,936	4,464	12,963	8,786	\$227,313
July.....	84,855	854	1,330	772	19,872	29,276	1,024	2,034	1,213	29,123
August.....	97,156	572	1,813	1,373	36,680	36,090	697	2,006	1,565	40,342
September.....	101,131	471	1,851	1,470	40,068	26,688	449	2,036	1,576	41,951
October.....	105,361	556	2,183	1,686	46,284	29,246	470	1,963	1,452	38,020
November.....	116,345	1,441	2,464	1,866	49,910	38,322	491	2,111	1,510	39,960
December.....	158,780	1,518	4,529	2,724	69,758	77,314	1,333	2,813	1,470	37,917

<sup>1</sup> Includes applications for current and preceding benefit years.

<sup>2</sup> Net figures adjusted for underpayments and recovery of overpayments.

Amounts are rounded to the nearest dollar and may not add up to totals shown.

<sup>3</sup> Revised.



# Old-Age and Survivors Insurance

## Under the Social Security Act

### Monthly Benefits in Force and Payments Certified, December 1944

Monthly benefits were in force at the end of December for more than 1.1 million beneficiaries (table 1), an increase of 26 percent over the number in force a year earlier and of 61 percent over the number at the end of 1942. The amount in force, which has increased at about the same rate, stood at \$20.4 million at the end of 1944.

As in previous years, widows' benefits increased most rapidly in number, rising 47 percent. For other types of survivors' benefits the number in force at the end of 1944 was about one-fourth greater than at the end of the preceding year. Primary benefits and wife's benefits in force increased 21 and 24 percent, respectively.

The distribution by type of benefit changed very little during the year; the proportion of primary and wife's benefits decreased while that of child's, widow's, and widow's current benefits rose slightly. The percentage distribution of benefits in force at the end of 1944 was as follows:

Type of benefit	Percentage distribution	
	Number	Amount
Monthly benefit.....	100.0	100.0
Primary.....	41.2	53.1
Wife's.....	12.1	8.3
Child's.....	28.0	19.6
Widow's.....	6.2	6.8
Widow's current.....	11.0	11.9
Parent's.....	.5	.3

Because of increase in average wages and in the number of increment years used in computing benefits, the average benefit awarded is rising and the average benefit in force at the end

of 1944 was somewhat higher than that a year earlier. The estimated average family benefit in force at the end of December, when rounded to the nearest 10 cents, was the same as at the end of October for each type of family (see the December 1944 BULLETIN, p. 41).

During December more than \$18.1 million was certified for monthly benefit payments, bringing the total for the year to \$196 million, 26 percent more than in 1943. Lump-sum certifications in December totaled \$1.8 million and brought the 1944 total to \$22.1 million.

### Monthly Benefits and Lump-Sum Payments Awarded, October-December 1944

The number of monthly benefits awarded during the last quarter of 1944 exceeded 85,000, or 8 percent more than in the preceding quarter (table 2). More primary benefits were awarded than in any previous quarter since the first quarter of 1941, and the

Table 1.—Monthly benefits in force<sup>1</sup> in each payment status,<sup>2</sup> actions effected during the month, and payments certified, by type of benefit, December 1944

[Current month's data corrected to Jan. 15, 1945]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Nov. 30, 1944.....	1,099,494	\$20,134,724	454,390	\$10,710,062	133,401	\$1,670,545	318,811	\$3,941,931	67,299	\$1,356,793	120,649	\$2,390,730	4,944	\$64,663
Current-payment status.....	936,909	17,023,750	371,879	8,824,719	113,406	1,432,802	292,393	3,620,756	66,085	1,332,220	88,297	1,749,761	4,849	63,492
Deferred-payment status.....	4,045	73,246	2,318	48,514	452	5,361	684	8,246	151	3,346	430	7,679	10	100
Conditional-payment status.....	158,540	3,037,728	80,193	1,836,829	19,543	232,382	25,734	312,929	1,063	21,227	31,922	633,290	85	1,071
Suspended.....	133,891	2,528,410	71,382	1,591,654	16,541	191,322	21,298	257,138	675	13,149	23,922	474,238	73	909
Frozen.....	24,649	509,318	8,811	245,175	3,002	41,060	4,436	55,791	388	8,078	8,000	159,082	12	162
Actions during December 1944:														
Benefits awarded.....	25,481	457,966	8,475	202,932	3,201	40,114	8,085	101,574	1,996	40,500	3,605	71,324	119	1,522
Entitlements terminated.....	8,234	147,131	2,461	58,960	1,171	14,787	2,823	37,436	251	5,001	1,491	30,435	37	512
Net adjustments.....	-169	-370	4	511	6	110	-139	-757	-1	-20	-38	-215	0	1
In force as of Dec. 31, 1944.....	1,116,572	\$20,445,189	460,408	\$10,854,545	135,436	\$1,695,982	323,934	\$4,005,312	69,043	\$1,392,272	122,725	\$2,431,404	5,026	\$65,674
Current-payment status.....	954,881	17,344,098	378,471	8,979,829	115,636	1,460,168	298,108	3,691,174	67,806	1,367,429	89,927	1,780,997	4,933	64,501
Deferred-payment status.....	3,750	67,445	2,185	45,013	412	4,798	608	7,424	137	3,006	399	7,104	9	100
Conditional-payment status.....	157,941	3,033,646	79,752	1,829,703	19,388	231,016	25,218	306,714	1,100	21,837	32,399	643,303	84	1,073
Suspended.....	133,157	2,521,001	70,964	1,584,817	16,338	189,262	20,849	251,845	704	13,589	24,230	480,575	72	913
Frozen.....	24,784	512,645	8,788	244,886	3,050	41,754	4,369	54,869	396	8,248	8,169	162,728	12	160
Payments certified in December.....		\$19,975,880		\$9,268,536		\$1,516,240		\$3,928,407		\$1,430,563		\$1,927,246		\$68,917

<sup>1</sup> Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

<sup>2</sup> Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

<sup>3</sup> Benefits are terminated when a beneficiary dies or loses entitlement to benefits

for the reasons specified in 1939 amendments, sec. 202.

<sup>4</sup> Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

<sup>5</sup> Distribution by type of benefit estimated; includes retroactive payments.

<sup>6</sup> Includes \$1,834,554 paid as lump-sum benefits under 1939 amendments (payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died) and \$1,417 paid as lump-sum benefits under 1935 act (payable with respect to workers who died prior to January 1940).

number of wife's benefits awarded was exceeded only in the third quarter of 1940. Awards of survivor benefits reached a peak.

For each quarter of 1944 the number of awards was higher than for any quarter of the years 1941-43. Almost 319,000 monthly benefits were awarded during the year, 21 percent more than in 1943. The percentage increase ranged from 12 percent for awards of parent's benefits to 26 percent for wife's and widow's benefit awards.

More than 56,000 lump-sum payments were awarded during the last 3 months of 1944, 8 percent more than during the third quarter. During the year more than 205,000 lump-sum payments were awarded, an increase of 26 percent over the number in 1943.

Table 2.—Number of monthly benefits and lump-sum death payments awarded, by type of benefit and by quarter, 1940-44

Year and quarter	Monthly benefits							Lump-sum death payments <sup>1</sup>
	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's	
<b>1940</b>								
Jan.-Mar.	40,780	28,211	4,366	5,978	168	2,057	0	7,046
Apr.-June	67,824	33,935	8,408	17,408	885	6,885	223	19,074
July-Sept.	76,113	38,245	11,981	17,220	1,560	6,782	325	23,793
Oct.-Dec.	70,267	31,924	9,740	18,776	1,987	7,536	304	25,182
<b>1941</b>								
Jan.-Mar.	74,567	32,802	9,901	20,597	2,703	8,227	337	30,633
Apr.-June	66,074	28,879	8,962	18,021	2,617	7,278	317	28,210
July-Sept.	65,593	27,238	8,898	18,745	2,786	7,632	294	29,610
Oct.-Dec.	63,052	25,741	8,452	18,256	2,914	7,365	324	28,850
<b>1942</b>								
Jan.-Mar.	68,181	27,609	9,161	19,596	3,505	8,027	283	33,410
Apr.-June	67,679	26,878	8,649	19,991	3,690	8,134	337	35,428
July-Sept.	62,161	23,826	8,013	18,894	3,475	7,624	329	32,932
Oct.-Dec.	60,095	21,310	7,426	18,902	4,103	8,037	317	33,221
<b>1943</b>								
Jan.-Mar.	67,750	23,754	8,112	21,503	4,975	9,078	328	40,525
Apr.-June	69,757	23,803	8,372	22,811	5,051	9,387	333	43,108
July-Sept.	63,501	21,378	7,896	20,764	4,695	8,476	292	39,485
Oct.-Dec.	61,863	20,139	7,537	20,541	4,856	8,478	312	39,893
<b>1944</b>								
Jan.-Mar.	75,807	25,474	9,401	23,978	6,416	10,225	313	47,342
Apr.-June	79,003	27,907	10,150	24,442	6,086	10,067	351	48,976
July-Sept.	78,076	27,607	10,066	24,589	5,804	10,559	351	52,444
Oct.-Dec.	85,174	29,109	10,730	26,675	6,451	11,804	405	56,415

<sup>1</sup> Under 1939 amendments.

## Under the Railroad Retirement Act\*

Operations during the second half of 1944 continued the trends observed in the fiscal year 1943-44, as described in the *BULLETIN* for August. Tax collections continued to grow at a more rapid rate than benefit payments. Since a large part of the 1944-45 appropriation, which was based on an advance estimate of these collections, was therefore not needed for benefit payments, the balance in the railroad retirement account at the end of December was considerably higher than it was 6 months earlier. On the other hand, the accumulation of obligations for future benefit payments, incurred with respect to the employees who were currently building up credits toward such benefits, tended to offset, at least in part, the growth in the reserve. The numbers of applications for employee annuities and of annuities certified also continued to increase.

**Collections and payments.**—Tax collections in July-December 1944 amounted to \$144 million, a slight increase over the preceding 6 months. The increase would have been considerably higher except that collec-

tions in April-June (based for the most part on wages paid in the preceding quarter) included the taxes on the bulk of the retroactive adjustments on the wage increases approved in October 1943 and January 1944.

Benefit payments in December reached a peak of \$11.8 million (table 3), bringing the total for the half year to \$70.0 million, or 3 percent more than the January-June total. From the beginning of operations through December 1944, \$893 million had been certified for benefits, of which \$683 million went to employee annuitants, \$174 million to former carrier pensioners, and \$35.8 million to survivors.

**Employee annuities.**—More employee-annuity applications were received—11,466—than in any half-year period since the first half of 1940, when 13,975 applications were filed; by the first half of 1942 the number had dropped to 8,091.

The trend in certifications followed that of applications received. The number of certifications reached a low of 7,104 in January-June 1942 and then began increasing fairly regularly; 9,936 employee annuities were certified in the second half of 1944, only slightly fewer than in January-June 1941.

Deaths reported to the Board in the last 6 months of 1944 terminated 5,024 annuities, 124 more than the number reported in the same months of 1943 but 742 less than in the first

half of 1944. As the annuity rolls grow, the number of deaths reported on a yearly basis tends to increase, but the second half of a year always shows a decline from the first half because more deaths occur in winter months and notices of death are usually received a month or two after the event.

Since new certifications each month still exceed terminations, the number of employee annuitants continues to increase. At the end of December, 143,908 were receiving monthly benefits, as compared with 139,033 at the end of June.

**Pensions.**—During the half year, 4 new pensioners were added to the rolls and 1,310 deaths were reported; there were no additions and 1,930 terminations in the preceding 6 months. Of the 48,600 pensions taken over from the private plans of employers, 19,600 were still in force at the end of December.

**Survivor payments.**—Lump-sum death benefits accounted for four-fifths of the amount of all payments to survivors in July-December. The number certified totaled 9,238, as compared with 7,809 in the preceding 6 months; 94,680 have been certified since the enactment of the 1937 act. Only 173 survivor and 341 death-benefit annuities were certified in July-December, and at the end of the period 3,797 and 494, respectively, were in force.

\*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 3.—Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, December 1944<sup>1</sup>

Period and action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities <sup>2</sup>	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force Nov. 30, 1944.....	167,135	\$10,858,388	143,027	\$9,545,129	19,808	\$1,174,371	3,773	\$120,004	527	\$18,883
During December 1944:										
Initial certifications.....	1,961	132,482	1,870	129,621	0	0	33	1,011	58	1,849
Terminations by death (deduct).....	1,341	83,432	982	65,354	256	14,469	11	277	92	3,331
In force as of Dec. 31, 1944.....	167,752	10,908,777	143,908	9,610,751	19,553	1,159,779	3,797	120,793	494	17,453
Total payments (net).....		\$11,809,365		9,916,777		1,147,123		122,707		24,324

<sup>1</sup> For definitions of classes of benefit, see the *Bulletin*, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported on an accounting-

month basis ended on approximately the 20th, terminations are reported through dates staggered from the 14th to the 27th, and total payments are on calendar-month basis. Cents omitted.

<sup>2</sup> In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

<sup>3</sup> Includes \$598,432 for lump-sum death benefits.



## Social and Economic Data

### Social Security and Other Income Payments

Income payments to individuals, which reached \$13.4 billion in December, totaled \$156.7 billion for the year, 9.5 percent more than in 1943 (table 1). December payments were 0.5 percent above those in November and 6.2 percent above those a year earlier. Social insurance and related payments rose to \$178 million this December and represented 1.3 percent of total income payments.

Compensation of employees, which accounted for most of the increase in total payments during the year, amounted to \$9.5 billion in December, an increase of 5.3 percent over the amount in December 1943. Wages and salaries during 1944 totaled \$112.0 billion and exceeded the 1943 amount by 10 percent. Entrepreneurial income—\$2.4 billion—was 0.5 percent less than in November but 4.3 percent more than in December 1943. A steady month-to-month rise during 1944 brought dividends and interest to \$964 million in December, 6.8 percent above the amount a year earlier. Direct relief payments, which have varied only slightly within the past 12 months, amounted to \$80 million in December, 1.3 percent more than in December 1943.

Government allowances to dependents of members of the armed forces rose rapidly during the earlier months of 1944. The total amount paid during the year was considerably more than double that in 1943, while December allowances of \$240 million were 79 percent above the figure for December 1943.

Social insurance and related payments in December were 1.7 percent above the November amount and 21.1 percent above that a year earlier. The total during 1944 was 16 percent greater than that for 1943.

#### Estimated Pay Rolls in Covered Employment, Third Quarter, 1944

Total wages and salaries amounted to \$27.8 billion in the third quarter of 1944, about the same amount as in the previous quarter, but 8.4 percent above

that in the third quarter of 1943 (table 2). Government pay rolls, including pay of the armed forces, have leveled off during recent months, while the increase in wages paid in agriculture and the railroad industry was more than offset by the decrease in total wages paid in employment covered by old-age and survivors insurance.

Pay rolls in employment covered by old-age and survivors insurance, \$18 billion, were 2.6 percent above the amount in the comparable period of 1943. However, in the third quarter of this year such wages represented 65 percent of all wages and salaries compared with 69 percent for the third quarter of 1943. A similar decline occurred in the proportion of all wages covered by the State unemployment compensation programs; in the third quarter of 1943 covered pay rolls represented 65 percent of all wages and salaries, and in the third

quarter of this year the proportion was 62 percent.

Aggregate wages and salaries of railroad workers were 16.5 percent more than the amount in the third quarter of 1943. Inasmuch as this percentage increase was double that for total wages and salaries for the same period, the proportion covered by the railroad programs increased from 3.8 to 4.1 percent.

#### Social Insurance and Related Payments

December payments of \$103.2 million under the selected social insurance and related programs shown in table 3 brought the total for 1944 to \$1.1 billion, 21 percent above that for 1943. The December payments were 1.9 percent above the amount in November and 32.6 percent more than that in December 1943. The programs included in the monthly series represented 58 percent of all social insurance and related payments in December as estimated by the Department of Commerce.

Table 1.—Income payments to individuals, by specified period, 1936-44<sup>1</sup>

[In millions; data corrected to Feb. 7, 1945]

Calendar year and month	Total <sup>2</sup>	Compensation of employees <sup>3</sup>	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments <sup>5</sup>	Military allowances <sup>7</sup>
					Work relief <sup>4</sup>	Direct relief <sup>6</sup>		
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	-----
1937.....	72,365	44,689	14,162	9,891	1,639	836	1,020	-----
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,529	-----
1939.....	70,793	43,870	13,441	8,891	1,870	1,071	1,616	-----
1940.....	76,210	48,218	14,313	9,175	1,577	1,098	1,801	-----
1941.....	92,710	60,262	18,599	9,761	1,213	1,112	1,744	-----
1942.....	117,311	79,970	23,933	9,771	886	1,061	1,844	\$136
1943.....	143,089	101,813	27,161	10,389	58	939	1,703	1,020
1944.....	156,700	112,019	28,017	11,195	-----	943	1,971	2,548
1943 December.....	12,578	9,030	2,285	903	-----	79	147	134
1944 January.....	12,717	9,113	2,316	905	-----	79	150	153
February.....	13,007	9,324	2,374	909	-----	79	156	165
March.....	12,981	9,278	2,363	914	-----	79	159	188
April.....	12,932	9,252	2,324	919	-----	78	161	198
May.....	12,992	9,257	2,353	924	-----	78	162	218
June.....	13,088	9,337	2,361	929	-----	78	160	222
July.....	13,054	9,379	2,271	935	-----	78	166	224
August.....	13,006	9,383	2,238	940	-----	78	165	231
September.....	13,011	9,346	2,237	947	-----	78	168	234
October.....	13,178	9,398	2,341	951	-----	79	171	237
November.....	13,291	9,446	2,395	958	-----	79	175	238
December.....	13,353	9,506	2,384	964	-----	80	178	240

<sup>1</sup> Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

<sup>2</sup> Includes veterans' bonus; for totals for years 1936-42 see October 1943 *Bulletin*; December payments were \$1 million.

<sup>3</sup> Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, and beginning with February 1944, mustering-out pay.

<sup>4</sup> Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

<sup>5</sup> Payments to recipients under 3 special public

assistance programs and general assistance, value of food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

<sup>6</sup> Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, workmen's compensation, State unemployment compensation, railroad unemployment insurance, veterans' pensions and compensation, and beginning with September 1944, readjustment allowances to unemployed veterans.

<sup>7</sup> Government portion of payments to dependents of members of the armed forces; portion deducted from military pay included under compensation of employees as part of military pay rolls.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Unemployment insurance benefits under the State and railroad programs amounted to \$63 million in 1944, 21.8 percent below the 1943 total. December payments were the largest for any month in 1944 since May. Benefits of \$5.2 million under the State laws were 5.6 percent above the amount in November and 21.5 percent above that in December 1943. Railroad unemployment insurance benefits of \$70,000 were 39 percent more than in November and 66.8 percent more than in December 1943. Payments under the Rhode Island sickness compensation program, \$330,000 in December, were 9.4 percent less than in November but 14.2 percent above the amount in December 1943.

Monthly retirement, disability, and survivor benefits under the four programs included in table 3 amounted to over \$1 billion in 1944, 25.3 percent more than in 1943. Payments in December 1944 exceeded those a year earlier by \$24 million; 79 percent of this increase was the result of larger benefit rolls and higher benefit rates under the veterans' program, 17 percent resulted from the steady rise in the number of beneficiaries under old-age and survivors insurance, and 1.7 percent from the growth of retirement and survivor payments under the Railroad Retirement Act. Under old-age and survivors insurance, monthly benefits paid to retired workers and their families were 26 percent more than payments a year earlier, while monthly survivor payments rose 34 percent. Over the same period, payments to disabled or aged veterans increased 57 percent and monthly payments to their survivors, 28 percent. Monthly retirement or disability benefit payments under the Railroad Retirement Act and under the programs administered by the Civil Service Commission increased at a much slower rate. Monthly survivor payments under the Railroad Retirement Act decreased slightly from the December 1943 amount.

In December approximately 1.7 million individuals received monthly retirement and disability benefits totaling \$73.6 million under the four programs. Monthly survivor payments of \$20.6 million were made to 831,000 survivors and lump-sum payments of \$3.5 million to 19,000 sur-

vivors. Unemployment benefits of approximately \$5.3 million were paid to 76,000 persons and Rhode Island sickness benefits of \$330,000 to 4,500 beneficiaries.

The 963,000 beneficiaries who received monthly retirement or survivor payments under the Social Security Act in December represent about 597,000 families. The 252,000 monthly beneficiaries receiving monthly retirement, disability, or sur-

vivor payments under the railroad and civil-service retirement programs equal approximately the same number of families, since these programs do not provide supplementary payments for wives and children of retired or disabled workers and since monthly benefits are not paid to more than one survivor of a deceased annuitant. The 1.3 million monthly beneficiaries under the veterans' program represent at least 1.2 million families.

Table 2.—Estimated pay rolls in employment covered by selected programs<sup>1</sup> in relation to all wages and salaries, by specified period, 1937-44

[Data corrected to Jan. 31, 1945]

Period	All wages and salaries <sup>2</sup>	Old-age and survivors insurance <sup>3</sup>	Railroad retirement <sup>4</sup>	State unemployment compensation <sup>5</sup>	Railroad unemployment insurance <sup>6</sup>
Amount (in millions)					
Calendar year:					
1937.....	\$45,053	\$32,770	\$2,265	(7)	\$2,265
1938.....	41,247	29,026	2,010	26,200	2,010
1939.....	44,313	32,222	2,149	29,069	2,149
1940.....	48,771	35,860	2,272	32,450	2,272
1941.....	60,885	45,492	2,685	42,146	2,685
1942.....	80,477	58,130	3,337	54,796	3,337
1943.....	101,841	70,145	3,781	66,124	3,781
1943					
Jan.-Mar.....	23,191	15,879	892	15,012	892
Apr.-June.....	25,283	17,429	931	16,501	931
July-Sept.....	25,629	17,682	968	16,614	968
Oct.-Dec.....	27,738	19,155	990	17,997	990
1944					
Jan.-Mar.....	26,797	17,879	1,070	16,712	1,070
Apr.-June.....	27,832	18,404	1,100	17,048	1,100
July-Sept.....	27,785	18,148	1,128	17,087	1,128
Percent of all wages and salaries					
Calendar year:					
1937.....	100.0	72.7	5.0	(7)	5.0
1938.....	100.0	70.4	4.9	63.5	4.9
1939.....	100.0	72.7	4.8	65.6	4.8
1940.....	100.0	73.5	4.7	66.5	4.7
1941.....	100.0	74.7	4.4	69.2	4.4
1942.....	100.0	72.2	4.1	68.1	4.1
1943.....	100.0	68.9	3.7	64.9	3.7
1943					
Jan.-Mar.....	100.0	68.5	3.8	64.7	3.8
Apr.-June.....	100.0	68.9	3.7	65.3	3.7
July-Sept.....	100.0	69.0	3.8	64.8	3.8
Oct.-Dec.....	100.0	69.1	3.6	64.9	3.6
1944					
Jan.-Mar.....	100.0	68.7	4.0	62.4	4.0
Apr.-June.....	100.0	68.1	4.0	61.3	4.0
July-Sept.....	100.0	65.3	4.1	61.5	4.1

<sup>1</sup> Include data for Alaska and Hawaii. Pay rolls in these 2 Territories covered by State unemployment compensation programs have ranged from \$18 million to \$72 million per quarter.

<sup>2</sup> Data from Bureau of Foreign and Domestic Commerce. Quarterly data have been adjusted to correct for distribution of bonus payments. Represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, Army and Navy pay rolls in all other areas. Includes employee contributions to social insurance and retirement programs. Because estimates of all wages and salaries are built up by industry groups, amount in covered and noncovered employment cannot be determined precisely. While the estimated amount in covered employment included within this total differs from pay rolls in covered employment as given in this table, the difference is so small that it does not invalidate relationship of covered pay rolls to total. Commerce estimates relate to calendar

quarters; estimates for pay rolls covered by old-age and survivors insurance, railroad retirement, and unemployment compensation relate to pay periods ended in calendar quarters.

<sup>3</sup> Represents taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program.

<sup>4</sup> Represents taxable wages plus nontaxable wages in excess of \$300 per month.

<sup>5</sup> Represents taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939. Data for 1942 and 1943 estimated.

<sup>6</sup> Estimated for 1937-June 1939 when railroad workers were covered by State unemployment compensation laws.

<sup>7</sup> Not available.

Table 3.—Selected social insurance and related programs, by specified period, 1936-44

[In thousands; data corrected to Feb. 5, 1945]

Calendar year and month	Retirement, disability, and survivor programs													Unemployment insurance programs			
	Total	Monthly retirement and disability benefits <sup>1</sup>					Survivor benefits						Rhode Island sickness compensation <sup>10</sup>	Total	State unemployment compensation laws <sup>10</sup>	Railroad Unemployment Insurance Act <sup>11</sup>	
		Total	Social Security Act <sup>2</sup>	Railroad Retirement Act <sup>3</sup>	Civil Service Commission <sup>4</sup>	Veterans Administration <sup>5</sup>	Monthly			Lump-sum							
							Social Security Act <sup>6</sup>	Railroad Retirement Act <sup>3</sup>	Veterans Administration <sup>7</sup>	Social Security Act <sup>8</sup>	Railroad Retirement Act <sup>3</sup>	Civil Service Commission <sup>4</sup>					Veterans Administration <sup>9</sup>
Number of individuals																	
1943																	
December			411.4	159.0	76.8	648.6	344.6	4.1	322.7	10.5	1.2	1.4	3.3	4.1		64.4	0.7
1944																	
January			419.3	158.9	77.5	663.1	352.8	4.1	323.4	11.2	1.0	1.0	3.3	4.1		84.0	1.3
February			427.9	159.2	77.5	687.5	363.1	4.2	325.1	12.2	1.3	1.0	3.5	4.6		104.0	1.2
March			436.0	159.3	77.9	724.6	373.4	4.2	327.0	13.7	1.3	1.0	4.0	4.6		112.0	1.3
April			442.2	159.5	78.5	759.2	382.1	4.2	329.3	12.3	1.4	1.0	4.1	5.5		83.3	.8
May			451.0	159.8	78.7	792.8	391.9	4.2	332.5	13.4	1.5	1.3	4.5	8.3		87.1	.5
June			458.5	159.9	79.2	814.4	399.2	4.2	336.5	12.3	1.3	.5	4.5	8.3		77.9	.4
July			466.7	160.2	79.7	833.9	403.2	4.3	339.0	11.9	1.4	.9	4.4	7.6		65.7	.3
August			475.6	160.7	80.1	854.7	411.1	4.3	344.1	14.2	1.7	1.2	4.2	7.0		72.3	.6
September			482.2	161.2	80.9	875.6	421.8	4.3	350.9	14.2	1.6	1.2	3.7	6.9		63.3	.7
October			492.3	162.1	82.2	901.4	434.4	4.3	358.7	15.5	1.6	1.2	3.8	5.6		63.6	.8
November			500.6	162.8	83.2	929.6	445.7	4.3	364.7	14.6	1.5	1.5	3.9	5.0		71.4	.9
December			508.7	163.5	83.9	955.7	454.3	4.3	372.7	13.0	1.4	1.4	3.6	4.5		75.0	1.2
Payments <sup>12</sup>																	
1936	\$458,896	\$458,765		\$683	\$51,630	\$299,001		\$2	\$99,992			\$4,062	\$3,395		\$131	\$131	
1937	501,664	499,532		40,001	33,694	299,660		444	96,370	\$1,278		4,401	3,694		2,132	2,132	
1938	969,600	575,814		96,766	56,118	301,277		1,383	101,492	10,478	\$291	4,604	3,405		393,786	393,786	
1939	1,043,160	608,095		107,282	58,331	307,512		1,451	109,192	13,896	1,926	4,952	3,553		435,065	429,208	\$5,767
1940	1,188,630	654,041	\$21,074	114,166	62,019	317,851	\$7,784	1,448	105,696	11,736	2,497	5,810	3,960		534,589	518,700	15,889
1941	1,085,489	726,631	55,141	119,913	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352		358,858	344,321	14,537
1942	1,130,721	780,369	80,305	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120		350,352	344,084	6,268
1943	1,221,466	840,906	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350	\$2,860	80,560	79,643	917
1944	1,115,162	1,052,195	119,009	129,707	78,081	456,594	76,942	1,765	143,689	22,146	6,591	7,863	4,748	5,062	62,967	62,385	582
1943																	
December	77,856	73,540	8,686	10,643	6,280	28,574	5,422	148	10,349	1,468	445	902	334	289	4,316	4,274	42
1944																	
January	80,074	74,728	8,880	10,637	6,319	29,523	5,568	141	10,502	1,584	402	563	316	292	5,346	5,271	75
February	85,300	79,077	9,138	10,665	6,356	31,586	5,763	147	11,638	1,725	531	587	345	297	6,224	6,156	67
March	87,518	80,095	9,313	10,629	6,402	32,897	5,944	145	10,932	1,836	487	685	406	319	7,423	7,344	79
April	88,132	82,613	9,439	10,707	6,426	35,303	6,035	148	10,897	1,721	554	572	416	305	8,519	8,471	48
May	90,442	84,641	9,659	10,741	6,412	36,290	6,209	150	10,960	1,867	586	739	433	595	9,502	9,371	31
June	90,311	85,061	9,810	10,712	6,454	36,258	6,316	146	11,457	1,712	518	625	457	596	9,250	9,224	26
July	96,347	91,979	9,999	10,798	6,536	41,925	6,364	147	12,589	1,656	557	468	392	547	4,368	4,347	21
August	96,361	91,516	10,236	10,843	6,506	40,369	6,549	148	12,547	1,968	661	712	476	502	4,846	4,808	38
September	97,506	93,219	10,289	10,889	6,549	41,524	6,775	151	13,004	1,962	684	736	422	547	4,287	4,247	40
October	99,336	94,940	10,573	11,040	6,659	42,271	7,012	147	13,038	2,138	570	708	422	579	4,396	4,350	46
November	101,330	96,361	10,770	10,982	6,673	43,548	7,172	147	12,924	2,043	523	827	389	364	4,968	4,918	51
December	103,231	97,967	10,903	11,064	6,788	44,800	7,237	147	13,200	1,836	598	693	370	330	5,265	5,194	70

<sup>1</sup> Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

<sup>2</sup> Number and amount of primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

<sup>3</sup> Annuity and pensioners as of 26th of month; includes disability beneficiaries. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

<sup>4</sup> Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but include also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service, which were previously included in this table, are summarized in table 4.

<sup>5</sup> Number of veterans receiving pensions and compensation and amount of payments.

<sup>6</sup> Number and amount of widow's, widow's current, parent's, and child's benefits. Partly estimated.

<sup>7</sup> Number of widows, parents, and children of deceased veterans on whose account payments were made and amount of payments.

<sup>8</sup> Number and amount of survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937-August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

<sup>9</sup> Number and amount of payments for burial of deceased veterans.

<sup>10</sup> Number represents average weekly number of benefit recipients. Annual amounts under State unemployment compensation laws adjusted for voided benefit checks; monthly amounts unadjusted.

<sup>11</sup> Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. 1941, 1942, 1943, and 1944 annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

<sup>12</sup> Data represent payments to individuals and exclude cost of administration. Payments under the Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Commission and Veterans Administration are disbursements minus cancellations; Rhode Island sickness compensation and State unemployment insurance payments are checks issued by State agencies. Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

<sup>13</sup> Preliminary estimate.



### Civil-Service Refunds

Recent data on refunds to employees who left the Federal civil service are summarized in table 4; comparable information was included in the monthly social insurance series in the BULLETIN up through the September 1944 issue.

Refunds of contributions, with interest, amounted to \$42.2 million in 1944, about four times the amount refunded in 1943. As a result of faster processing of claims and of continued

Table 4.—Number and amount of civil-service refunds, by specified period, 1943-44<sup>1</sup>

Year and month	Refunds	
	Number	Amount
Calendar year 1943.....	204.3	\$10,809
January-June.....	72.4	4,238
July-December.....	131.9	6,571
Calendar year 1944.....	704.2	42,156
January-June.....	280.3	15,355
July-December.....	423.8	26,801
July.....	45.7	2,995
August.....	52.4	3,016
September.....	78.3	4,844
October.....	98.2	5,500
November.....	93.9	5,793
December.....	75.2	4,653

<sup>1</sup> Refunds principally from civil-service retirement and disability fund but includes also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by Civil Service Commission. Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

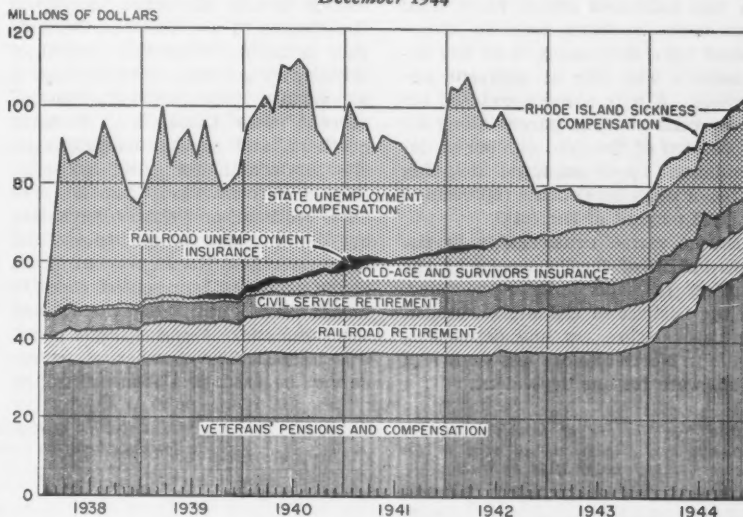
high turn-over in Government employment, refunds were at record levels throughout the last 6 months of 1944. Because the backlog of claims has now been greatly reduced, the peak may have been reached in November, when \$5.8 million was refunded.

Refunds were paid to 704,000 former Government workers in 1944, an average of \$60 apiece. In 1943, when 204,000 individuals received refunds, the average was \$53. These averages, low in comparison with an average refund of almost \$200 in pre-war years, reflect a shorter period of service for separated employees as well as the provision in the Civil Service Retirement Act that employees with at least 5 years of Government service cannot withdraw contributions deposited after January 1942.

### Servicemen's Family Allowances

Under the Servicemen's Dependents Allowance Act of 1942, as amended October 1943, the dependents of enlisted men and women, in all non-

Chart 1.—Payments under selected insurance and related programs, January 1938-December 1944



commissioned grades of the armed forces, are entitled to family allowances consisting in part of a Government payment and in part of a deduction from the serviceman's pay.<sup>1</sup> The Government's part of these allowances is reported regularly in the BULLETIN. The amounts deducted from, or charged to, the pay of members of the armed forces are included in the income-payments series under compensation of employees, as part of military pay rolls.

The Office of Dependency Benefits, the agency set up by the War Department to administer the act for men in the Army, has recently released, for the first time, information on beneficiaries who are receiving family allowances as dependents of men serving in the Army. Similar data are not available for dependents of men in the Navy, Marines, or Coast Guard.

The monthly value of benefits awarded amounted to \$241 million for June 1944, an average of \$61 per payee (persons to whom allowance checks are mailed). The Government contributes about two-thirds of this amount<sup>2</sup> and the servicemen, one-third.

Two-thirds of the total number of dependents were wives and children, and the other third consisted of parents, brothers, and sisters (table 6). These proportions varied widely

among the States; wives and children represented 85 percent of all dependents in Nevada but only 50 percent in Mississippi. In general, in the Southern States a relatively small proportion of the dependents were wives and children while in the Pacific and Midwestern States wives and children accounted for a larger proportion. That is not to say that only a small proportion of inductees in the Southern States had wives and children but, rather, that a larger proportion of inductees from these States had dependent parents in receipt of allowances. Thus the 12 States<sup>3</sup> in which wives and children represented less than 60 percent of the dependents accounted for 29 percent of all inductees, 31 percent of all wives and children, but 48 percent of the total number of parents. On the other hand, the 15 States<sup>4</sup> in which 75 percent or more of the dependents were wives and children accounted for 33 percent of all inductees, 26 percent of all wives and children, but only 14 percent of all parents.

Fifty-seven percent of all family allowance payee accounts were for only one dependent. This does not mean that 57 percent of the servicemen whose families are receiving

<sup>2</sup> Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, New York, North Carolina, South Carolina, Tennessee, Virginia.

<sup>3</sup> California, Colorado, District of Columbia, Idaho, Indiana, Iowa, Kansas, Michigan, Nebraska, Nevada, Ohio, Oregon, Utah, Washington, Wyoming.

<sup>1</sup> See *Bulletins* for July 1942 (p. 3); December 1942 (pp. 22-30); and November 1943 (pp. 2-3) for provisions of original act and the amendment of October 1943.

benefits had only one dependent since, as was indicated above, more than one payee account may be established for a serviceman if he has dependents who live at different addresses. A wife alone accounted for 21 percent and one parent alone for 13 percent of the total number of dependents. Payee accounts including three or more dependents represented only 13 percent of the total.

States varied considerably in the distribution of family checks by the number of dependents represented. In the District of Columbia 7 out of 10 checks were for one dependent, while in North Dakota less than half of all were for one dependent.

Table 5.—Number of family allowance payees and dependents of men in the Army, as of June 30, 1944, by State

State	Number of payees	Number of dependents	Average number of dependents per payee account
Total.....	3,908,626	6,450,396	1.65
Alabama.....	108,966	183,672	1.68
Arizona.....	14,800	26,075	1.76
Arkansas.....	75,115	135,298	1.80
California.....	171,198	263,261	1.54
Colorado.....	29,207	50,685	1.74
Connecticut.....	42,320	64,953	1.53
Delaware.....	8,028	12,715	1.58
District of Columbia.....	28,336	37,530	1.48
Florida.....	67,391	106,344	1.58
Georgia.....	123,075	200,895	1.63
Idaho.....	10,280	17,837	1.74
Illinois.....	210,359	335,218	1.59
Indiana.....	92,938	154,805	1.67
Iowa.....	58,420	95,050	1.74
Kansas.....	49,687	81,509	1.64
Kentucky.....	91,623	168,128	1.83
Louisiana.....	91,732	151,910	1.66
Maine.....	19,409	34,311	1.77
Maryland.....	54,297	87,574	1.61
Massachusetts.....	104,912	169,937	1.62
Michigan.....	124,105	202,609	1.63
Minnesota.....	55,207	94,553	1.71
Mississippi.....	91,983	148,717	1.62
Missouri.....	116,681	192,960	1.65
Montana.....	10,279	17,403	1.69
Nebraska.....	28,793	47,954	1.67
Nevada.....	2,815	4,549	1.62
New Hampshire.....	11,315	19,633	1.74
New Jersey.....	127,042	192,255	1.51
New Mexico.....	17,899	35,414	1.98
New York.....	442,032	688,836	1.56
North Carolina.....	113,469	189,943	1.67
North Dakota.....	9,635	17,255	1.79
Ohio.....	194,231	315,316	1.62
Oklahoma.....	73,498	128,100	1.74
Oregon.....	23,750	37,514	1.58
Pennsylvania.....	273,265	457,035	1.67
Rhode Island.....	18,808	29,332	1.56
South Carolina.....	68,492	116,396	1.70
South Dakota.....	11,421	19,884	1.74
Tennessee.....	107,299	183,563	1.71
Texas.....	241,010	407,545	1.69
Utah.....	13,612	23,094	1.70
Vermont.....	7,265	13,212	1.82
Virginia.....	83,647	145,671	1.74
Washington.....	34,381	52,869	1.54
West Virginia.....	56,243	103,980	1.85
Wisconsin.....	56,645	91,964	1.62
Wyoming.....	4,917	8,163	1.66
Outside continental United States.....	44,804	88,843	1.98

Source: U. S. Army Service Forces, Office of Dependency Benefits.

On June 30, 1944, there were 3.9 million family allowance payees on the records of the Office of Dependency Benefits. Sixty-five percent of these payee accounts were for Class A dependents (wives and children), 7 percent were Class B-1 (parents, brothers, and sisters dependent on the serviceman for chief support), and 27 percent were Class B (parents, brothers, and sisters dependent on the serviceman for substantial support). Less than 1 percent of the payee accounts represented cases in which Class A and B dependents had the same address and a single check was issued. The number of payees cannot be used as a measure of the

number of servicemen whose dependents are receiving allowances, inasmuch as separate checks are issued when a serviceman has dependents living at different addresses.

Dependents represented in these 3.9 million payee accounts totaled 6.5 million persons, or an average of 1.65 persons per payee account. More than half the 2.5 million wives were without children; for wives with children the average number of children was 1.5. About one-third, therefore, of all persons in the Army in June 1944 had wives who were receiving allowances; about 1 out of 6 had a dependent parent or parents in receipt of a family allowance.

Table 6.—Percentage distribution of dependents of men in the Army receiving family allowance benefits, as of June 30, 1944, by State

State <sup>1</sup>	Class A			Classes B and B-1		
	Total	Wives <sup>2</sup>	Children	Total	Parents	Brothers and sisters
Total percent.....	65.89	38.81	27.08	34.11	26.16	7.95
Nevada.....	85.25	49.70	35.55	14.75	11.85	2.90
Utah.....	84.88	48.77	36.11	15.12	10.99	4.13
Washington.....	84.16	52.26	31.90	15.84	13.04	2.80
Oregon.....	82.81	50.31	32.50	17.19	14.03	3.16
District of Columbia.....	82.12	52.02	30.10	17.88	14.85	3.03
Iowa.....	80.64	44.43	36.21	19.36	15.07	4.29
California.....	79.88	50.00	29.88	20.12	15.75	4.37
Kansas.....	79.25	47.01	32.24	20.75	16.47	4.28
Idaho.....	79.22	43.68	35.56	20.78	16.04	4.74
Indiana.....	78.28	44.90	33.38	21.72	16.93	4.79
Michigan.....	77.84	46.21	31.63	22.16	16.90	5.26
Ohio.....	77.03	45.54	31.49	22.97	17.74	5.23
Colorado.....	76.73	43.19	33.54	23.27	16.44	6.83
Nebraska.....	76.18	44.81	31.37	23.82	18.54	5.28
Wyoming.....	76.13	44.61	31.52	23.87	17.99	5.88
Maryland.....	74.79	42.98	31.81	25.21	20.34	4.87
Minnesota.....	73.86	41.36	32.50	26.14	20.43	5.71
Delaware.....	72.98	43.47	29.51	27.02	20.86	6.16
Oklahoma.....	72.58	39.88	32.70	27.42	21.08	6.34
Montana.....	72.15	40.68	31.47	27.85	21.39	6.46
Illinois.....	71.92	43.29	28.63	28.08	22.36	5.72
New Hampshire.....	70.70	39.37	31.33	29.30	21.41	7.89
South Dakota.....	70.49	39.26	31.23	29.51	22.05	7.46
Wisconsin.....	70.45	42.97	27.48	29.55	22.05	7.50
Maine.....	69.71	38.26	31.45	30.29	21.27	9.02
Missouri.....	69.68	41.29	28.39	30.32	23.69	6.63
Connecticut.....	69.59	44.72	24.87	30.41	23.50	6.91
Vermont.....	68.61	35.98	32.63	31.39	22.73	8.66
Arizona.....	68.36	37.81	30.55	31.64	21.11	10.53
Florida.....	67.66	40.24	27.42	32.34	25.98	6.36
Rhode Island.....	67.58	41.64	25.94	32.42	23.45	8.97
Pennsylvania.....	67.11	38.92	28.19	32.89	24.32	8.57
Massachusetts.....	66.01	39.07	26.94	33.99	25.86	8.13
North Dakota.....	65.53	35.82	29.71	34.47	25.66	8.81
Texas.....	64.27	36.43	27.84	35.73	26.95	8.78
West Virginia.....	62.27	32.81	29.46	37.73	26.12	11.61
New Jersey.....	60.83	40.19	29.64	39.17	30.56	8.61
North Carolina.....	59.86	33.44	26.42	40.14	30.91	9.23
Tennessee.....	58.50	33.69	24.81	41.50	30.98	10.52
South Carolina.....	57.67	31.30	26.37	42.33	32.84	9.49
Kentucky.....	56.98	31.15	25.83	43.02	30.13	12.89
Virginia.....	56.74	32.58	24.16	43.26	33.63	9.63
Arkansas.....	56.58	30.70	25.88	43.42	33.08	10.34
Georgia.....	55.92	33.26	22.66	44.08	34.09	9.99
Louisiana.....	55.81	32.17	23.64	44.19	33.62	10.57
New York.....	55.30	35.54	19.76	44.70	35.28	9.42
New Mexico.....	54.48	28.67	25.81	45.52	29.01	16.51
Alabama.....	54.01	30.93	23.08	45.99	35.45	10.54
Mississippi.....	50.06	29.41	20.65	49.94	40.08	9.86

<sup>1</sup> Excludes dependents residing outside continental United States.

<sup>2</sup> Includes 3,864 divorced wives.

Source: U. S. Army Service Forces, Office of Dependency Benefits.

## Financial and Economic Data

### The Budget for 1945-46

The new budget for the fiscal year 1945-46 recommends slight increases over the current fiscal year in appropriations for the Social Security Board; it recommends \$23 million for salaries and expenses and \$448 million for grants to States, a total of \$471 million as compared with \$454 million for 1944-45, both exclusive of overtime pay (table 7). Of the \$17 million increase, \$15.4 million is for grants to States, including \$11 million for old-age assistance, \$3 million for unemployment compensation administration, and \$850,000 for aid to the blind. For both years, grants for old-age assistance represent 78 percent of

Table 7.—Appropriations under the Social Security Act, fiscal years 1944-45 and 1945-46<sup>1</sup>

[In thousands]

Item	Appropriations	
	Recommended 1945-46	Actual 1944-45
Total, Social Security Act	\$482,781	\$465,681
Social Security Board, total	470,992	453,978
Salaries and expenses	22,992	21,378
Grants to States, total	448,000	432,600
Old-age assistance	350,000	339,000
Aid to dependent children	55,550	55,000
Aid to the blind	10,450	9,600
Unemployment compensation administration <sup>2</sup>	32,000	29,000
Department of Labor, Children's Bureau, total	11,638	11,563
Administrative expenses, maternal and child welfare services	438	363
Grants to States, total	11,200	11,200
Maternal and child health services	5,820	5,820
Services for crippled children	3,870	3,870
Child welfare services	1,510	1,510
Department of Commerce, Bureau of the Census, total	151	140

<sup>1</sup> Excludes expenses incurred by the Treasury Department in administration of title II of Social Security Act and Federal Insurance Contributions Act, reimbursed to general fund of Treasury from old-age and survivors insurance trust fund. Also excludes appropriations to the Public Health Service for grants to States for public health work which will henceforth be made under authorization contained in the Public Health Service Act, approved July 1, 1944; actual appropriations for such grants in 1944-45 are \$11,000,000, and recommended appropriations \$11,467,000 for 1945-46.

<sup>2</sup> Excludes estimated overtime pay totaling \$3,926,000 representing \$3,843,000 for the Social Security Board, \$88,000 for the Children's Bureau, and \$25,000 for the Bureau of the Census.

<sup>3</sup> Excludes \$4,350,055 received by transfer from Employment office facilities and services, War Manpower Commission<sup>4</sup> in 1944-45, and approximately \$4,000,000 in 1945-46.

Source: The Budget of the United States Government for the Fiscal Year Ending June 30, 1946.

all grants administered by the Board. Grants for maternal and child welfare are maintained at the maximum amounts authorized in the act. Appropriations for 1945-46 of \$483 million for grants to States under the Social Security Act and for the administration of these grants represent about 0.5 percent of all Federal appropriations recommended in the budget, approximately the same ratio as in the current fiscal year. Beginning with the fiscal year 1945-46, appropriations to the Public Health Service for grants to States for public health work, which heretofore had been made under title VI of the Social Security Act, will be made directly to the Public Health Service under the Public Health Service Act of July 1944.<sup>1</sup>

The only increase estimated for any of the social insurance taxes (table 9) in 1945-46 is one of 23.2 percent in Federal insurance contributions, in anticipation of the scheduled increase in tax rates from 1 to 2½ percent on January 1, 1946. Collections under the other three Federal social insurance taxes are expected to decline. Estimated collections of Federal insurance contributions and Federal unemployment taxes represent 4 percent of estimated total Federal receipts in 1945-46, compared with 3 percent in both the current fiscal year and 1943-44.

<sup>1</sup> See the Bulletin, August 1944, p. 3.

Table 8.—Social security trust fund operations, fiscal years 1943-44, 1944-45, and 1945-46

[In millions]

Item	Estimated		Actual 1943-44
	1945-46	1944-45	
Old-age and survivors insurance trust fund			
Receipts.....	\$1,783.5	\$1,452.6	\$1,395.3
Appropriations (equal to Federal insurance contributions).....	1,629.7	1,322.6	1,292.1
Interest on investments.....	153.8	130.0	103.2
Expenditures.....	330.8	267.5	217.2
Benefits.....	301.0	238.0	184.6
Administrative expenses.....	29.8	29.5	32.6
Net addition to fund.....	1,452.7	1,185.0	1,178.1
Total assets of fund, June 30.....	8,084.1	6,631.4	5,446.4
Investments in United States securities.....	1,452.7	1,191.1	1,172.0
Unemployment trust fund			
Receipts.....	1,362.9	1,511.1	1,566.9
Deposits by States.....	1,099.4	1,256.2	1,349.3
Deposits by Railroad Retirement Board.....	99.0	119.7	100.4
Transfers from railroad unemployment insurance administration fund.....	9.7	8.9	11.7
Interest on investments.....	154.7	126.2	96.5
Expenditures.....	70.5	65.5	60.6
Withdrawals by States.....	70.0	65.0	60.0
Benefit payments, railroad unemployment insurance account.....	.5	.5	.6
Net addition to fund.....	1,292.4	1,445.6	1,506.3
Total assets of fund, June 30.....	8,616.7	7,324.4	5,878.8
Investments in United States securities.....	1,292.4	1,449.5	1,503.0

<sup>1</sup> Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

Source: The Budget of the United States Government for the Fiscal Year Ending June 30, 1946.

Table 9.—Social insurance tax collections, fiscal years 1943-44, 1944-45, and 1945-46

[In millions]

Program	Estimated		Actual 1943-44
	1945-46	1944-45	
Total	\$2,166	\$1,927	\$1,861
Old-age and survivors insurance, total	1,873	1,604	1,550
Federal Insurance Contributions Act	1,630	1,323	1,292
Carriers Taxing Act	243	281	257
Unemployment insurance, total	293	324	302
Railroad Unemployment Insurance Act <sup>1</sup>	110	133	122
Federal Unemployment Tax Act	183	191	180

<sup>1</sup> Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

<sup>2</sup> Represents the 10 percent of railroad unemployment insurance contributions shown as a receipt item in the budget and the 90 percent of collections deposited by the Railroad Retirement Board in the railroad unemployment insurance account of the unemployment trust fund.

Source: The Budget of the United States Government for the Fiscal Year Ending June 30, 1946.

Receipts of the old-age and survivors insurance trust fund are estimated at \$1,783.5 million, 23 percent above the amount in 1944-45, while expenditures are expected to reach \$330.8 million, 24 percent above those in the current fiscal year. The net addition to the fund during the coming fiscal year, therefore, is estimated at \$1,452.7 million. Total assets are expected to increase 22 percent during the fiscal year, and new investments of \$1,452.7 million are expected to



absorb about 4 percent of the increase in the public debt during the year.

Continuing the downward trend begun in the present fiscal year, unemployment trust fund receipts are estimated to decline to \$1,362.9 million in 1945-46, a drop of 10 percent, probably because of the effect of the operations of experience-rating provisions and a possible decline in total pay rolls. The largest decrease is ex-

pected in State deposits. Withdrawals by States for benefit payments are expected to increase 8 percent during 1945-46. Total assets of the fund are estimated to rise 18 percent by the end of the year.

Combined assets of these two trust funds are set at \$16.7 billion by the end of 1945-46. Securities to be purchased by both funds are expected to absorb 7 percent of the rise in the

public debt, as compared with 5 percent in the current fiscal year and 4 percent in 1943-44.

### Receipts and Expenditures, 1944

During the calendar year 1944, collections under four of the five social insurance taxes (table 11) were higher than in 1943; State unemployment contributions were slightly less. Collections of Federal insurance contri-

Table 10.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-44

[In millions]																			
Period	General and special accounts										Public debt								
	Receipts of Federal Government				Expenditures of Federal Government						Excess receipts (+) or expenditures (-)	Trust ac- counts, etc., <sup>1</sup> excess receipts (+) or expenditures (-)	Change in general fund balance	Total	Old-age and survivors insurance trust fund	Unem- ployment trust fund	Rail- road retire- ment ac- count	All other	
	Total <sup>1</sup>	Social security taxes <sup>2</sup>	Rail- road retirement and unem- ployment taxes <sup>3</sup>	All other	Total <sup>1</sup>	Under the So- cial Security Act		Under the Railroad Retirement Board		All other									
						Ad- minis- trative ex- penses and grants to States <sup>4</sup>	Net ap- propriations and trans- fers to old-age and survivors insurance trust fund	Ad- minis- trative ex- penses	Trans- fers to rail- road retire- ment ac- count										
Calendar year:																			
1936.....	\$4,372	(7)	(7)	\$4,372	\$8,533	\$107	-----	\$1	-----	\$8,425	-\$4,161	+\$8	-\$303	\$34,407	-----	\$64	-----	\$34,343	
1937.....	6,312	\$573	393	5,646	8,189	245	\$514	2	\$92	7,336	-1,877	+72	+1,067	37,279	\$513	625	\$50	36,091	
1938.....	5,993	562	111	5,320	8,441	324	343	3	142	7,629	-2,448	+411	+111	39,427	862	1,064	76	37,425	
1939.....	5,485	670	115	4,700	9,453	354	566	6	97	8,430	-3,968	+847	-607	41,942	1,435	1,509	77	38,921	
1940.....	6,416	743	137	5,536	10,241	423	581	7	120	9,110	-3,825	+195	-548	45,025	2,016	1,945	85	40,979	
1941.....	9,612	887	156	8,569	19,816	483	763	10	126	18,433	-10,204	-1,078	+1,633	57,938	2,736	2,732	91	52,379	
1942.....	17,387	1,136	203	16,048	57,006	513	985	9	209	55,290	-39,619	-3,631	+6,983	108,170	3,655	3,687	174	100,654	
1943.....	35,764	1,400	243	34,121	89,294	492	1,210	6	263	87,323	-53,530	-2,426	+1,751	165,877	4,779	5,095	310	155,693	
1944.....	45,708	1,499	299	43,910	98,445	500	1,286	6	307	96,346	-62,737	-2,074	+9,942	230,630	5,967	6,579	490	217,594	
6 months ended:																			
December 1942.....	8,298	567	106	7,625	35,635	276	529	4	146	34,680	-27,337	-858	+7,552	108,170	3,655	3,687	174	100,654	
December 1943.....	20,677	679	130	19,868	45,647	264	636	3	194	44,550	-24,970	-1,424	+2,788	165,877	4,779	5,095	310	155,693	
December 1944.....	20,977	706	150	20,121	49,089	245	663	3	239	47,939	-28,112	+553	+2,067	230,630	5,967	6,579	490	217,594	
1943																			
December.....	5,737	5	56	5,676	7,463	24	1	1	-----	7,427	-1,716	-667	-2,664	165,877	4,779	5,095	310	155,693	
1944																			
January.....	2,779	48	1	2,730	7,002	58	32	(7)	34	7,478	-4,823	-14	-55	170,659	4,768	5,166	333	160,392	
February.....	2,754	369	4	2,381	8,112	33	250	(7)	-----	7,829	-5,359	-173	+6,916	183,107	4,868	5,427	322	172,490	
March.....	6,576	8	61	6,507	8,528	35	2	(7)	-----	8,491	-1,952	-2,205	-2,549	184,715	5,012	5,466	317	173,926	
April.....	3,119	38	(7)	3,081	7,890	53	32	(7)	34	7,771	-4,772	+193	-4,327	184,967	5,012	5,494	334	174,127	
May.....	3,256	324	14	2,918	8,598	44	306	(7)	-----	8,248	-5,342	+185	-3,757	186,366	5,012	5,774	322	175,258	
June.....	6,249	6	68	6,173	8,627	32	2	(7)	-----	8,593	-2,378	-613	+11,646	201,003	5,409	5,870	319	189,405	
July.....	2,212	55	1	2,156	8,159	53	49	(7)	205	7,851	-5,947	+133	+1,756	208,574	5,397	5,913	513	196,751	
August.....	2,859	305	14	2,540	8,410	39	291	(7)	-----	8,080	-5,551	-70	-4,252	209,802	5,397	6,211	502	197,692	
September.....	5,927	4	60	5,863	7,931	34	1	(7)	-----	7,895	-2,004	-244	-2,555	209,496	5,677	6,245	490	197,084	
October.....	2,054	50	1	1,994	8,078	50	54	(7)	34	7,939	-6,023	+148	-5,127	210,244	5,677	6,268	512	197,787	
November.....	2,506	278	15	2,213	8,093	39	265	(7)	-----	7,789	-5,587	+639	-1,883	215,005	5,677	6,546	500	202,282	
December.....	5,418	5	58	5,355	8,418	32	2	(7)	-----	8,384	-2,999	-193	+12,433	230,630	5,967	6,579	490	217,594	

<sup>1</sup> Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

<sup>2</sup> Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

<sup>3</sup> Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 11, footnote 5).

<sup>4</sup> Checks cashed and returned to Treasury. Excludes public-debt retirement.

<sup>5</sup> Includes administrative expenses under Wagner-Peyser Act for employment service administration, July 1940-December 1941, but excludes grants to States under that act; the latter are included in "all other." From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Excludes administrative expenses incurred by Treasury prior to July 1940 in administration of title II of Social Security Act and Federal Insurance Contributions Act. Also excludes funds for disease and sanitation investiga-

tions of Public Health Service. For fiscal year 1943-44 includes expenditures from \$4,095,411, and for fiscal year 1944-45 expenditures from \$4,350,055, transferred to Social Security Board from War Manpower Commission for employment office facilities and services.

<sup>6</sup> Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>7</sup> Less than \$500,000.

<sup>8</sup> Excludes Social Security Board administrative expenses for August. Because of unavoidable circumstances affecting Treasury bookkeeping operations, August administrative expenditures were not drawn against Social Security Board appropriation accounts but against another account; the August figure in *Daily Statement of the U. S. Treasury*, therefore, includes none of expenditures actually made during month, but represents an advance from another account. Necessary adjustments are reflected in the September figure.

<sup>9</sup> Includes Social Security Board administrative expenses for August. See footnote 8.

Source: *Daily Statement of the U. S. Treasury*.

butions and Federal unemployment taxes were 7 percent more than the amount in 1943, which in turn had been 23 percent more than in 1942. Total Federal receipts rose 28 percent, in contrast to the 106-percent rise from 1942 to 1943 (table 10). Fourth-quarter Federal insurance contributions and Federal unemployment tax collections of \$342 million were 6 percent below third-quarter collections, but 3 percent above fourth-quarter collections in 1943.

Administrative expenses and grants to States under the Social Security Act totaled \$500 million in 1944, as compared with \$492 million in 1943 and \$513 million in 1942. These expenditures constituted 0.5 percent of total Federal expenditures in 1944, as compared with 0.6 percent in 1943 and 0.9 percent in 1942.

### Old-Age and Survivors Insurance Trust Fund

The increase in contributions appropriated to the old-age and survivors insurance trust fund during 1944 was 6 percent, much less than the 22-percent increase from 1942 to 1943. Benefit payments increased 26 percent as compared with 27 percent a year earlier. Total assets increased 25 percent during 1944 and 31 percent between 1942 and 1943, indicating that the rate of growth of the fund is declining. Interest of \$106.7 million was credited to the fund during the year, 20 percent more than during 1943.

Benefit payments rose slowly but almost uninterruptedly throughout the year. December payments were

28 percent above the December 1943 amount.

Reimbursements to the Treasury for administrative expenses during the year were \$29.2 million, slightly less than in 1943. The decline was due in part to the reduction in the reimbursement rate during the last quarter of 1944 to compensate for overreimbursements in prior periods.

During December the fund acquired \$295 million of 2½-percent regular Treasury bonds, series 1966-71, in connection with the sixth war loan drive; \$5 million of 1½-percent special certificates of indebtedness were redeemed, the first redemption of such short-term certificates. During the calendar year, new securities totaling \$1,499 million were acquired while \$311 million of securities were redeemed. The new securities con-

Table 11.—Social insurance taxes under selected programs, by specified period, 1936-44

[In thousands]

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions <sup>1</sup>	Taxes on carriers and their employes <sup>2</sup>	State unem employment contributions <sup>3</sup>	Federal unem employment taxes <sup>4</sup>	Railroad unem employment insurance contributions <sup>5</sup>
Cumulative through December 1944.....	\$6,528,180	\$1,307,139	\$7,902,878	\$942,713	\$493,474
Calendar year:					
1936.....	492,814	92,652	(7)	\$23	
1937.....	473,527	110,929	778,392	88,745	
1938.....	567,605	113,219	824,879	102,001	16,082
1939.....	637,275	130,222	853,824	105,379	66,562
1940.....	789,298	148,184	1,006,327	98,018	73,644
1941.....	1,012,490	193,346	1,139,332	123,515	95,524
1942.....	1,239,490	232,247	1,325,421	160,921	109,157
1943.....	1,315,680	286,157	1,317,079	183,489	132,504
6 months ended:					
December 1942.....	543,032	101,061	584,601	24,435	40,746
December 1943.....	652,027	124,533	692,285	26,995	56,193
December 1944.....	675,585	143,626	656,092	30,575	67,179
December 1943.....	3,671	52,914	9,273	1,145	27,069
December 1944.....					
January.....	33,849	1,231	128,789	14,222	211
February.....	252,219	4,055	175,358	116,529	750
March.....	4,404	58,581	11,385	3,559	28,479
April.....	35,136	354	150,189	3,265	78
May.....	309,381	13,434	175,229	14,250	975
June.....	5,107	64,877	20,037	1,089	34,832
July.....	51,751	1,395	172,482	2,948	57
August.....	263,279	14,182	160,332	11,727	1,099
September.....	3,814	56,936	4,369	666	33,105
October.....	55,427	1,464	169,221	3,160	48
November.....	267,349	14,414	145,789	11,154	1,110
December.....	3,974	55,235	5,899	919	31,761

<sup>1</sup> Tax effective Jan. 1, 1937, payable by employers and employees.

<sup>2</sup> Federal tax effective Mar. 1, 1936, payable by carriers and employees.

<sup>3</sup> Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to Jan. 29, 1945.

<sup>4</sup> Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds not included.

<sup>5</sup> Tax effective July 1, 1939, payable by employers only. Amounts differ from figures in table 10, which represent only the 10 percent for administrative expenses deposited in general and special accounts of Treasury.

<sup>6</sup> Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

<sup>7</sup> Not available.

Source: Daily Statement of the U. S. Treasury, unless otherwise noted.

Table 12.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1943-45

[In thousands]

Item	Fiscal year 1943-44		Fiscal year 1944-45	
	Appropriations	Expenditures through December <sup>1</sup>	Appropriations	Expenditures through December <sup>1</sup>
Total.....	\$498,001	\$263,975	\$494,957	\$245,106
Administrative expenses.....	26,118	15,968	25,807	14,990
Federal Security Agency, Social Security Board <sup>2</sup> .....	25,451	12,057	25,221	11,087
Department of Labor, Children's Bureau.....	417	214	421	199
Department of Commerce, Bureau of the Census.....	250	144	165	65
Department of the Treasury <sup>3</sup> .....	(4)	3,573	(4)	3,640
Grants to States.....	471,973	247,967	459,150	230,115
Federal Security Agency.....	460,773	242,387	447,950	225,662
Social Security Board.....	449,773	236,649	436,950	219,741
Old-age assistance.....	336,350	182,774		169,396
Aid to dependent children.....	65,000	29,805		27,127
Aid to the blind.....	9,000	5,267		5,163
Unemployment compensation administration.....	39,423	18,803	33,350	18,055
Public Health Service:.....				
Public health work.....	11,000	5,739	11,000	5,921
Department of Labor, Children's Bureau.....	11,200	5,600	11,200	4,453
Maternal and child health services.....	5,820	3,188	5,820	2,204
Services for crippled children.....	3,870	1,725	3,870	1,576
Child welfare services.....	1,510	687	1,510	673

<sup>1</sup> Based on checks cashed and returned to Treasury.

<sup>2</sup> Represents appropriations and expenditures for salaries and some miscellaneous items; excludes other miscellaneous expenditures of the Board made from Federal Security Agency appropriations. Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of Treasury.

<sup>3</sup> Represents amounts expended by Treasury in administration of title II of Social Security Act and Federal Insurance Contributions Act, reimbursed to general fund of Treasury.

<sup>4</sup> Not available because not separated from appropriations for other purposes.

<sup>5</sup> Includes, for 1943-44, transfer of \$4,095,411 and for 1944-45, transfer of \$4,350,055 from War Manpower Commission for employment office facilities and services.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

sisted of \$695 million of 2½-percent Treasury bonds, \$660 million of 1½-percent special certificates of indebtedness, and \$144 million of 1½-percent special Treasury notes. Redeemed securities consisted of \$283 million of 2½-percent special Treasury notes which matured on June 30, \$11 million of 1½-percent special Treasury notes, and \$17 million of 1½-percent special certificates of indebtedness.

These 1944 transactions increased the investments of the fund to \$5,966.8 million on December 31, an increase of 25 percent. The average rate of interest on these investments was 2.196 percent as compared with 2.221 percent at the end of 1943. Total assets rose 25 percent to \$6,004.7 million by December 31. The assets of the fund at the end of the year consisted of:

	Dec. 31, 1944
Total assets, old-age and survivors insurance trust fund.....	\$6,004,707,379
Total investments.....	5,966,834,250
Public issues:	
Treasury bonds:	
2½-percent bonds of 1962-67.....	49,000,000
2½-percent bonds of 1963-68.....	100,000,000
2½-percent bonds of 1964-69.....	50,000,000
2½-percent bonds of 1965-70.....	400,000,000
2½-percent bonds of 1966-71.....	295,000,000
2½-percent bonds of 1967-72.....	44,334,250
Special issues:	
Treasury notes:	
2½-percent notes:	
Maturing June 30, 1945.....	725,900,000
Maturing June 30, 1946.....	319,200,000
2½-percent notes maturing June 30, 1946.....	603,000,000
2½-percent notes:	
Maturing June 30, 1946.....	228,000,000
Maturing June 30, 1947.....	450,400,000
2½-percent notes maturing June 30, 1947.....	240,000,000
2-percent notes maturing June 30, 1947.....	459,000,000
1½-percent notes:	
Maturing June 30, 1947.....	251,000,000
Maturing June 30, 1948.....	1,109,000,000
Certificates of indebtedness:	
1½-percent certificates of indebtedness maturing June 30, 1945.....	643,000,000
Uninvested balances.....	37,873,129
To credit of fund account.....	8,455,454
To credit of disbursing officer.....	29,417,675

### Railroad Retirement Account

In the second half of 1944, receipts of the railroad retirement account comprised the 1944-45 appropriation of \$309 million and \$546,000 in interest on investments; benefit payments amounted to \$69.7 million (table 16). Assets at the end of June had totaled \$333 million; as of December 31 they amounted to \$573 million, representing \$490 million in-

Table 13.—Federal insurance contributions and Federal unemployment taxes,<sup>1</sup> by internal revenue collection district, for the calendar year 1944 and October-December 1944

[In thousands of dollars]

Internal revenue collection district in—	Calendar year 1944			October-December 1944		
	Total	Insurance contributions <sup>2</sup>	Unemployment taxes <sup>3</sup>	Total	Insurance contributions <sup>2</sup>	Unemployment taxes <sup>3</sup>
Total.....	\$1,499,167.8	\$1,315,678.0	\$183,489.8	\$341,972.5	\$326,738.3	\$15,234.3
Ala.....	14,562.3	12,870.9	1,691.4	3,460.6	3,367.8	92.8
Ariz.....	2,437.8	2,142.4	295.4	525.3	520.8	4.5
Ark.....	3,890.7	3,419.2	471.6	898.1	882.7	15.4
Calif. (2 districts).....	132,471.7	117,169.0	15,302.7	30,615.0	29,677.2	937.9
Colo.....	6,771.2	6,030.1	741.1	1,592.4	1,543.5	48.9
Conn.....	32,810.7	28,385.5	4,425.1	6,766.8	6,567.8	199.0
Del.....	14,501.7	12,736.8	1,764.8	3,067.5	2,941.0	126.4
Fla.....	11,765.1	10,457.7	1,307.4	2,595.4	2,561.9	33.5
Ga.....	15,270.1	13,435.1	1,835.0	3,569.2	3,435.2	134.0
Hawaii.....	3,027.8	2,619.8	408.0	685.9	673.4	12.5
Idaho.....	2,399.9	2,117.2	282.7	534.6	550.8	3.9
Ill. (2 districts).....	122,039.7	107,011.6	15,028.0	28,247.7	26,701.8	1,545.9
Iowa.....	27,576.2	24,596.7	3,279.5	6,406.0	6,250.8	155.2
Kans.....	10,507.6	9,346.9	1,160.6	2,414.0	2,363.6	50.4
Kent.....	8,929.9	7,827.6	1,102.3	2,030.7	1,982.8	47.9
Ky.....	9,749.9	8,547.4	1,200.5	2,218.5	2,182.8	35.7
La.....	13,001.7	11,520.3	1,481.4	2,987.4	2,920.2	67.1
Maine.....	7,025.7	6,144.4	881.4	1,568.0	1,551.9	16.1
Md. (including Dist. of Col.).....	24,425.8	21,287.9	3,137.9	5,473.9	5,363.9	110.0
Mass.....	57,061.4	50,446.0	7,215.4	12,604.7	12,139.7	464.9
Mich.....	115,498.8	101,546.6	13,952.2	26,609.3	25,010.2	1,599.0
Minn.....	20,350.4	17,948.7	2,401.7	4,693.9	4,559.1	134.8
Miss.....	3,629.0	3,197.5	431.5	846.3	829.7	16.6
Mo. (2 districts).....	34,871.0	30,405.8	4,465.2	8,183.2	7,650.8	532.4
Mont.....	1,708.2	1,338.3	369.9	401.2	396.0	5.3
Nebr.....	6,308.6	5,591.5	717.1	1,474.1	1,434.7	39.5
Nev.....	850.1	770.4	79.7	209.0	207.0	2.0
N. H.....	3,378.5	2,974.9	403.6	796.1	778.8	20.2
N. J. (2 districts).....	56,223.9	49,086.6	7,137.3	12,108.5	11,568.4	540.1
N. Mex.....	1,168.9	1,021.7	147.2	280.4	267.7	12.7
N. Y. (6 districts).....	288,894.8	252,945.6	35,949.2	65,615.0	61,962.3	3,652.7
N. C.....	18,843.2	16,628.6	2,214.6	4,277.4	4,185.9	91.5
N. Dak.....	900.6	826.3	74.3	219.2	216.7	2.5
Ohio (4 districts).....	100,300.1	88,163.4	12,136.7	22,955.9	21,566.8	1,389.1
Okl.....	10,675.3	9,443.1	1,232.1	2,507.5	2,419.1	88.4
Oreg.....	14,372.2	12,428.8	1,943.4	3,490.0	3,288.5	201.5
Pa. (3 districts).....	146,054.3	128,381.4	18,672.9	33,436.0	31,531.9	1,904.1
R. I.....	10,097.8	8,780.7	1,317.2	2,160.9	2,132.8	28.1
S. C.....	6,961.7	6,119.9	841.8	1,593.3	1,565.5	27.8
S. Dak.....	1,108.0	1,011.6	96.4	266.2	264.9	1.3
Tenn.....	13,657.0	12,065.4	1,591.6	3,233.3	3,163.6	69.7
Tex. (2 districts).....	35,068.4	30,800.4	4,268.0	8,044.0	7,872.3	171.7
Utah.....	3,265.1	2,862.3	402.8	734.6	718.8	15.8
Vt.....	1,997.6	1,756.7	240.9	453.4	444.1	9.3
Va.....	14,812.6	13,003.3	1,809.3	3,379.5	3,228.9	150.5
Wash. (including Alaska).....	26,010.1	23,085.0	2,925.1	6,279.9	6,096.6	183.3
W. Va.....	10,430.6	9,184.7	1,245.8	2,372.8	2,329.6	43.2
Wis.....	29,600.8	26,090.6	3,510.2	6,823.7	6,632.1	191.6
Wyo.....	1,005.4	905.7	99.7	246.6	238.9	7.7

<sup>1</sup> Data are based on warrants covered by the Book-keeping and Warrants Division of the Treasury Department and therefore differ slightly from tax receipts in tables 10 and 11 which are based on *Daily Statement of the U. S. Treasury*. Amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into Treasury. The amount

received by a particular district does not necessarily represent taxes paid with respect to employment within the State in which that district is located.

<sup>2</sup> Totals are sums of unrounded figures; therefore may differ slightly from sums of rounded figures.

<sup>3</sup> See table 11, footnote 1.

<sup>4</sup> See table 11, footnote 4.

Source: Treasury Department, Bureau of Accounts.

vested in 3-percent special Treasury notes, a \$70.4 million balance in the appropriation account, and \$12.8 million to the credit of the disbursing officer.

### Unemployment Trust Fund

Deposits by States in the fund during 1944 were 0.8 percent less than during 1943; withdrawals from State

accounts declined 19 percent; and total assets increased 28 percent during the year. Though State deposits during 1944 were only \$11 million below those of 1943, the decline was a significant reversal of the upward trend since the program began; operation of experience-rating provisions was probably responsible for the decline. Deposits during the last quarter of



Table 14.—Federal grants to States under the Social Security Act: Checks issued by the Treasury Department through December of fiscal years 1943-44 and 1944-45

[In thousands]

State	Fiscal year 1943-44 through December, total grants	Fiscal year 1944-45 through December								
		Total grants	Federal Security Agency					Public Health Service	Department of Labor	
			Social Security Board				Children's Bureau			
			Old-age assistance	Aid to dependent children	Aid to the blind	Unemploy- ment compen- sation admin- istration			Maternal and child health services	Services for crippled children
Total, all participating States	\$258,380.5	\$231,990.0	\$171,115.8	\$27,157.1	\$5,224.4	\$17,917.5	\$5,934.3	\$2,206.7	\$1,574.0	\$857.2
Alabama	2,184.0	2,504.7	1,555.9	370.0	39.3	193.1	198.3	75.6	42.4	30.1
Alaska	296.6	206.7	125.7	(1)	(1)	36.7	17.7	12.0	6.5	8.1
Arizona	1,819.6	1,549.6	1,163.4	176.9	58.4	74.4	37.5	20.8	4.7	13.4
Arkansas	2,300.7	2,051.3	1,299.6	343.1	62.1	165.2	89.5	22.2	41.9	27.6
California	26,000.4	22,670.9	19,175.9	851.7	707.6	1,522.2	273.2	45.1	62.0	33.2
Colorado	6,224.0	5,315.1	4,674.9	402.7	61.9	80.8	53.4	20.5	11.8	9.0
Connecticut	2,243.4	1,905.1	1,375.1	186.5	13.2	235.5	59.4	18.3	10.7	6.8
Delaware	225.7	221.2	68.1	34.5	(1)	71.5	18.6	15.1	4.8	8.6
District of Columbia	781.7	644.9	258.3	67.1	29.2	165.3	42.1	43.0	34.4	5.5
Florida	3,481.9	4,517.4	3,420.2	457.1	208.9	220.4	125.4	27.3	41.3	16.6
Georgia	3,788.0	3,541.8	2,394.6	322.6	100.5	315.0	235.8	111.7	30.8	30.7
Hawaii	410.6	323.4	108.1	73.2	5.8	58.9	42.2	10.2	11.9	9.2
Idaho	1,509.5	1,303.6	972.1	162.5	22.5	62.2	40.6	35.2	12.2	6.3
Illinois	20,367.5	15,440.7	11,212.7	1,889.9	552.8	1,320.6	283.8	81.7	83.9	15.3
Indiana	7,231.5	6,021.6	4,469.2	698.8	224.9	439.0	116.2	31.3	30.2	12.1
Iowa	5,676.8	4,925.2	4,267.9	250.6	127.2	122.9	65.2	29.1	46.8	15.4
Kansas	3,944.0	3,247.6	2,479.4	341.4	112.6	140.9	113.8	30.3	23.9	5.2
Kentucky	2,489.0	3,195.8	2,216.0	366.9	75.2	180.7	224.4	46.0	49.7	37.1
Louisiana	4,646.2	4,927.6	2,998.7	1,304.3	143.0	234.4	148.1	65.4	21.2	12.6
Maine	1,861.8	1,677.3	1,278.5	113.0	75.4	109.5	45.0	29.4	14.9	11.6
Maryland	1,952.0	1,867.9	1,023.9	347.8	45.7	264.2	73.4	63.3	26.8	22.8
Massachusetts	11,855.2	10,078.9	8,121.8	808.1	96.5	843.0	128.7	37.9	33.5	9.5
Michigan	12,654.4	10,616.6	7,747.8	1,446.4	130.7	949.6	173.0	97.4	48.1	23.5
Minnesota	7,242.1	7,122.8	6,822.6	671.2	116.5	304.9	100.3	38.3	56.6	12.5
Mississippi	1,583.3	2,044.5	1,300.0	224.2	80.5	130.3	176.9	50.0	51.6	31.0
Missouri	9,038.6	7,784.7	6,133.5	1,005.5	(1)	421.7	116.5	43.9	32.1	31.1
Montana	1,524.0	1,602.1	1,255.5	156.2	37.4	75.4	25.6	23.8	15.9	12.4
Nebraska	2,957.9	2,501.4	2,024.1	257.7	40.6	73.7	52.1	14.8	22.7	15.8
Nevada	377.7	328.0	238.2	(1)	(1)	54.0	17.4	10.0	.9	5.4
New Hampshire	797.3	720.9	475.1	72.6	22.5	89.1	29.0	17.8	7.9	7.0
New Jersey	3,757.6	3,810.7	2,290.6	421.0	65.8	857.1	109.7	54.5	25.1	16.8
New Mexico	1,101.1	845.7	432.1	219.4	23.5	64.6	43.1	39.0	16.0	7.9
New York	17,605.6	16,339.7	10,278.3	2,735.6	369.4	2,399.6	346.4	102.7	64.9	42.8
North Carolina	2,743.7	2,466.3	1,192.0	478.3	147.5	268.2	210.7	101.9	49.6	18.1
North Dakota	1,200.0	1,162.1	812.2	190.4	13.7	41.6	44.0	28.6	23.4	8.3
Ohio	15,502.2	11,455.7	8,940.6	822.4	234.6	1,188.6	160.3	72.6	27.0	9.6
Oklahoma	8,311.8	8,534.7	6,515.9	1,460.2	177.0	161.9	98.6	42.0	49.5	29.5
Oregon	2,647.2	2,637.2	2,166.2	139.0	42.5	189.3	54.6	11.6	25.6	8.5
Pennsylvania	14,120.1	11,667.2	7,341.3	2,688.7	12.6	1,292.1	272.8	7.2	41.7	36.2
Puerto Rico	391.3	360.4					238.9	68.0	30.4	23.0
Rhode Island	1,099.8	1,156.8	846.9	109.0	9.6	114.5	29.1	18.7	20.5	8.3
South Carolina	1,796.9	1,674.4	922.2	263.8	60.0	148.1	159.4	72.7	26.6	21.7
South Dakota	1,321.8	1,213.1	940.8	150.5	14.0	36.4	35.7	13.6	16.2	5.9
Tennessee	4,103.2	3,707.6	1,979.1	1,085.2	97.9	244.9	292.7	55.7	13.4	28.7
Texas	14,328.4	15,869.9	13,451.2	809.8	437.5	578.4	367.3	147.1	44.5	34.2
Utah	2,350.4	1,822.2	1,430.1	220.9	15.8	94.0	31.2	10.3	22.8	7.7
Vermont	883.3	496.2	321.3	55.8	16.3	52.5	18.6	17.0	7.0	7.7
Virginia	1,594.1	1,419.3	546.8	295.3	56.5	281.7	105.1	68.3	44.4	21.3
Washington	8,062.8	7,026.4	6,103.1	332.7	71.4	321.6	88.7	34.2	64.6	10.2
West Virginia	1,878.6	2,076.5	1,007.2	670.5	54.1	212.1	83.0	14.5	21.2	13.8
Wisconsin	5,827.3	4,926.2	3,641.8	679.8	125.4	382.4	102.9	38.5	40.0	15.3
Wyoming	588.1	455.2	325.0	36.4	13.4	33.0	17.0	14.4	8.8	7.2

<sup>1</sup> No plan approved by the Social Security Board.<sup>2</sup> Represents final audit adjustment following discontinuance of program on Jan. 1, 1938.<sup>3</sup> Represents refund of unobligated balance of Federal funds on termination of program on Mar. 31, 1944.

Source: Compiled from data furnished by the Treasury Department, Bureau of Accounts.

Table 15.—Status of the old-age and survivors insurance trust fund, by specified period, 1937-44

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund <sup>1</sup>	Interest received <sup>2</sup>	Benefit payments <sup>3</sup>	Reimbursement for administrative expenses <sup>4</sup>	Net total of U. S. Government securities acquired <sup>5</sup>	Cash with disbursing officer at end of period	Credit of fund account at end of period <sup>6</sup>	Total assets at end of period
Cumulative through December 1944.	\$6,386,963	\$410,907	\$654,249	\$138,913	\$5,966,834	\$29,418	\$8,455	\$6,004,707
Calendar year:								
1937	514,000	2,262	1,016	-----	513,100	2,145	251,100	766,245
1938	343,000	15,412	10,048	-----	349,200	1,296	268,014	1,131,609
1939	566,000	26,951	14,163	-----	572,900	7,129	282,068	1,724,397
1940	607,004	42,861	35,354	26,203	581,300	10,416	3,789	2,030,706
1941	789,298	56,159	88,083	26,158	719,900	16,530	8,992	2,761,921
1942	1,012,490	72,271	130,675	27,898	919,034	27,382	5,294	3,688,110
1943	1,239,490	88,250	165,938	29,454	1,123,400	29,097	12,527	4,820,458
1944	1,315,680	106,741	208,972	29,201	1,188,000	29,418	8,455	6,004,707
6 months ended:								
December 1942	543,032	1,837	69,589	14,365	453,800	27,382	5,294	3,688,110
December 1943	652,027	2,684	86,223	16,326	542,000	29,097	12,527	4,820,458
December 1944	675,585	6,248	110,598	12,920	557,964	29,418	8,455	6,004,707
1943								
December	3,671	2,122	14,990	2,619	279,949	29,097	12,527	4,820,458
1944								
January	33,849	110	15,275	2,002	-11,000	30,816	38,490	4,837,140
February	252,219	-----	15,693	2,002	100,036	31,114	172,679	5,071,663
March	4,404	554	16,615	2,002	144,000	28,479	17,655	5,058,004
April	35,136	-----	16,494	3,424	-----	23,977	37,374	5,073,221
May	309,381	-----	17,126	3,424	-----	22,838	327,343	5,362,051
June	5,107	99,828	17,171	3,424	397,000	21,384	16,136	5,446,391
July	51,751	4	16,630	2,437	-12,000	24,747	57,462	5,479,079
August	293,279	-----	18,118	2,437	-----	25,620	329,312	5,751,802
September	3,814	3,714	18,402	2,437	279,964	26,898	34,760	5,738,492
October	55,427	-----	19,204	1,869	-----	26,686	69,326	5,772,846
November	267,340	-----	18,996	1,869	-----	28,606	313,806	6,019,320
December	3,974	2,530	19,248	1,869	290,000	29,418	8,455	6,004,707

<sup>1</sup> Beginning July 1940, trust fund appropriations equal taxes collected under Federal Insurance Contributions Act.<sup>2</sup> Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.<sup>3</sup> Based on checks cashed and returned to Treasury.<sup>4</sup> Figures for October-December 1944, in addition to usual bookkeeping adjustments for April-June quarter, include additional bookkeeping adjustments for expenditures shown in table for fiscal years 1941-42, 1942-43, and 1943-44.

Corrected figures for these fiscal years will not be shown; therefore figures in table do not reflect actual outlays in the respective years.

<sup>5</sup> Minus figures represent net total of notes redeemed; includes accrued interest.<sup>6</sup> Prior to July 1940, includes balance of appropriation available for transfer.Source: *Daily Statement of the U. S. Treasury.*

Table 16.—Status of the railroad retirement account, by specified period, 1938-44

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments <sup>1</sup>	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation <sup>2</sup>	To credit of disbursing officer	Total
Cumulative through December 1944.	\$1,425,688	\$27,732	\$1,453,420	\$1,355,688	\$880,763	\$489,500	\$70,373	\$12,784	\$572,657
Fiscal year:									
Through June 1938	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938-39	118,250	2,302	120,552	107,094	105,774	67,290	13,206	2,334	82,740
1939-40	120,130	2,283	122,413	120,650	113,099	79,400	10,847	1,826	92,073
1940-41	\$ 113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941-42	140,850	3,143	143,993	140,850	126,244	91,500	1,597	11,686	104,782
1942-43	214,801	5,777	220,578	214,801	130,465	178,000	4,120	12,776	194,896
1943-44	262,720	9,837	272,557	262,720	134,416	318,500	1,147	13,390	333,037
1944-45 (through December)	308,817	546	309,363	238,817	69,742	489,500	70,373	12,784	572,657
1943									
December	-----	156	156	-----	11,096	310,000	68,673	12,693	391,366
1944									
January	-----	184	184	34,000	11,214	333,000	34,700	12,636	380,336
February	-----	211	211	-----	11,147	322,000	34,722	12,678	369,400
March	-----	238	238	-----	11,403	311,000	34,748	12,486	358,235
April	-----	290	290	34,500	11,267	333,500	341	13,417	347,258
May	-----	293	293	-----	11,459	322,500	338	13,254	336,092
June	-----	8,105	8,105	-----	11,161	318,500	1,147	13,390	333,037
July	308,817	16	308,833	204,817	10,964	512,500	104,981	13,724	631,205
August	-----	48	48	-----	12,219	501,500	105,101	12,434	619,035
September	-----	76	76	-----	11,870	490,500	104,158	12,583	607,242
October	-----	104	104	34,000	11,794	512,500	70,165	12,887	595,552
November	-----	143	143	-----	11,576	500,500	70,212	13,406	584,118
December	-----	158	158	-----	11,619	489,500	70,373	12,784	572,657

<sup>1</sup> Based on checks cashed and returned to Treasury.<sup>2</sup> Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.<sup>3</sup> Appropriation reduced by transfer of \$9 million in October 1940 to prior

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: *Daily Statement of the U. S. Treasury.*

1944 were 7 percent below deposits during the fourth quarter of 1943. Withdrawals by States for benefit payments fell to \$63 million, the lowest point in 7 years. Withdrawals during the second half of the year, however, exceeded those of the second half of 1943, indicating a possible reversal of the downward trend which has persisted since 1940. Withdrawals in December totaled 7 percent more than in November and 37 percent more than in December 1943.

On December 1, 1944, \$150 million of 1½-percent special certificates of indebtedness held by the fund were redeemed and \$150 million of 2½-percent regular Treasury bonds, series 1966-71, were acquired. Additional purchases made throughout the month amounted to \$33 million of 1½-percent special certificates of indebtedness. During the calendar year, the fund acquired net additional securities totaling \$1,484 million, raising its total investments to \$6,579 million or 29 percent above holdings on December 31, 1943. The securities

acquired consisted of \$7,003 million of 1½-percent special certificates of indebtedness maturing on June 30, 1945, and \$300 million of 2½-percent publicly offered Treasury bonds. Securities redeemed consisted of \$5,819 million of 1½-percent special certificates of indebtedness, of which all but \$150 million matured on June 30, 1944. Assets of the fund totaled \$6,583.4 million on December 31, 1944, 28 percent more than its assets at the end of 1943. The assets of the fund at the end of the year consisted of the following:

	Dec. 31, 1944
Total assets, unemployment trust fund.....	\$6,583,434,474
Total investments.....	6,579,000,000
Public issues:	
Treasury bonds:	
2½-percent bonds of 1962-67.....	50,000,000
2½-percent bonds of 1963-68.....	40,000,000
2½-percent bonds of 1964-69.....	20,000,000
2½-percent bonds of 1965-70.....	150,000,000
2½-percent bonds of 1966-71.....	150,000,000
Special issues:	
Certificates of indebtedness:	
1½-percent certificates of indebtedness.....	6,169,000,000
Uninvested balances.....	4,434,474
To credit of fund account.....	4,199,696
To credit of disbursing officer.....	234,778

Interest of \$55.1 million was credited to the fund during the year. This is far below the usual amount, since the regular 6 months' interest normally credited in December, amounting to \$54.8 million, was not reflected in the Daily Treasury Statement accounts until January 2, 1945. The average rate of interest on investments held by the fund at the end of the year was 1.914 percent, as compared with 1.888 percent a year earlier.

The combined assets of the old-age and survivors insurance trust fund and the unemployment trust fund on December 31 totaled \$12.6 billion, an increase of \$2.6 billion or 26 percent over combined assets at the end of 1943. The two funds absorbed 4.2 percent of the 1944 increase in public-debt issues, as compared with 4.4 percent during 1943. The computed average rate of interest on the interest-bearing public debt decreased to 1.919 percent in December; throughout the entire year it varied between a high of 1.959 percent and a low of 1.919 percent.

Table 17.—Status of the unemployment trust fund, by specified period, 1936-44<sup>1</sup>

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired <sup>2</sup>	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals <sup>3</sup>	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period <sup>4</sup>
Cumulative through December 1944.....	\$6,583,434	\$6,579,000	\$4,434	\$7,943,347	\$357,434	\$2,285,362	\$6,015,418	\$444,140	\$23,832	\$44,065	\$668,016
Calendar year:											
1936.....	64,906	63,783	1,123	64,502	554	150	64,906	—	—	—	—
1937.....	637,585	560,928	12,875	566,658	8,121	2,100	637,585	—	—	—	—
1938.....	1,072,283	439,289	8,283	829,264	9,460	404,020	1,072,283	—	—	—	—
1939.....	1,524,784	445,000	15,784	830,404	26,970	429,693	1,499,964	14,473	(5)	5,252	24,820
1940.....	1,957,977	436,300	12,677	860,784	58,898	614,814	1,804,833	59,907	1,220	15,449	153,144
1941.....	2,744,358	786,700	12,358	1,008,149	53,000	349,583	2,516,399	66,281	4,556	15,088	227,958
1942.....	3,698,008	955,000	11,008	1,138,530	68,048	344,263	3,378,714	85,973	6,083	6,695	319,291
1943.....	5,146,745	1,408,000	51,745	1,328,117	81,864	77,563	4,711,113	98,244	7,409	1,014	435,632
1944.....	6,583,434	1,484,000	4,434	1,316,940	80,515	63,153	6,015,418	119,261	4,564	568	568,016
6 months ended:											
December 1942.....	3,698,008	548,000	11,008	580,940	34,800	120,680	3,378,714	44,773	3,174	1,075	319,291
December 1943.....	5,146,745	728,000	51,745	691,372	41,101	23,929	4,711,113	50,575	3,722	255	435,632
December 1944.....	6,583,434	709,000	4,434	659,005	3,092	27,082	6,015,418	60,462	285	232	568,016
December 1943.....	5,146,745	39,000	51,745	14,238	41,101	3,594	4,711,113	24,362	3,722	37	435,632
December 1944.....	5,177,412	71,000	11,412	35,787	—	5,262	4,741,639	197	—	56	435,773
January.....	5,435,081	261,000	8,081	263,181	—	6,112	4,908,707	674	—	74	436,373
February.....	5,471,327	39,000	5,327	17,603	—	6,916	5,009,396	25,631	—	73	461,931
March.....	5,508,478	28,000	14,478	43,714	—	6,567	5,046,543	71	—	67	461,935
April.....	5,780,782	280,000	6,782	277,219	—	5,752	5,318,010	877	—	40	462,772
May.....	5,878,778	96,000	8,778	20,431	47,425	5,463	5,380,403	31,349	4,270	25	498,375
June.....	5,925,618	43,000	12,618	50,628	—	3,931	5,427,100	50	—	24	498,518
July.....	6,215,750	298,000	4,750	284,766	—	4,550	5,707,316	984	—	17	508,433
August.....	6,245,160	34,000	3,160	6,878	—	4,216	5,709,979	20,795	—	48	538,180
September.....	6,301,412	23,000	33,412	57,245	756	4,882	5,763,098	43	69	45	538,313
October.....	6,550,190	278,000	4,190	282,416	—	4,593	6,010,922	990	—	45	539,268
November.....	6,583,434	33,000	4,434	7,071	2,336	4,910	6,015,418	28,585	216	53	568,016

<sup>1</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by Railroad Retirement Board and from which Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments. Totals and balances derived from unrounded figures; therefore may differ slightly from sums of rounded figures.

<sup>2</sup> Includes accrued interest.

<sup>3</sup> Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,079,000 of which \$111,000 was transferred from Kentucky account in July, \$1,000 in September, and \$6,000 in October 1944.

<sup>4</sup> Includes transfers from railroad unemployment insurance administration fund amounting to \$38,030,880.

<sup>5</sup> Less than \$500.

Source: Daily Statement of the U. S. Treasury.



## Recent Publications in the Field of Social Security\*

### War and Social Services

DASHIELL, ALICE T. "The Children in Day Time Care." *Child Welfare League of America Bulletin*, N. Y., Vol. 23, Dec. 1944, pp. 5-7 ff. 10 cents.

Urges reevaluation of the day-care services with more emphasis on the needs of the child.

FREDENBURGH, FRANZ A. "Reconversion of Personnel." *Personnel Journal*, N. Y., Vol. 23, Jan. 1945, pp. 242-253. 75 cents.

Problems of the employee counselor in placing returned servicemen and civilian war workers.

GUTKIND, E. A. *Creative Demobilization*. N. Y.: Oxford University Press, 1944. 2 vols. (International Library of Sociology and Social Reconstruction.) \$6.

Planning for demobilization should be considered as only the initial stage of a national plan looking toward "the creation of environment which guarantees free self expression and personal liberty, and which widens economic opportunities for all groups." Volume I considers the principles and scope of national planning. Volume II is a collection of planning studies in the fields of human geography, agriculture, and industry.

MARX, FRITZ MORSTEIN, Editor. "The American Road From War to Peace: A Symposium." *American Political Science Review*, Menasha, Wis., Vol. 38, Dec. 1944, pp. 1114-1191. \$1.

Includes papers on The Strategy of Reconversion, by William Haber; The Federal Government's Role in the Postwar Economy, by James G. Patton; The Reconversion Phase of Demobilization, by V. O. Key, Jr.; Executive-Legislative Responsibilities, by Pendleton Herring; War Organization of the Federal Government, by Luther Gulick; and The Future Organizational Pattern of the Executive Branch, by Arthur W. Macmahon.

MYERS, CHARLES A. *Personnel Problems of the Postwar Transition Period*. Washington (?): Committee

tee for Economic Development, 1944. 54 pp. (Series C: Supplementary Papers, No. 2.)

A study based on the experience of 32 companies in planning for the rehiring of servicemen, personnel shifts within the company, and the laying off of workers.

PLASS, E. D. "The Physician's Attitude Toward the Emergency Maternity and Infant Care (EMIC) Program." *Journal of the American Medical Association*, Chicago, Vol. 127, Jan. 13, 1945, pp. 102-106. 25 cents.

An analysis of the reasons why "organized medical groups have almost without exception condemned the program but have cooperated from a sense of patriotic duty . . ."

SMUL, KATHRYN. "Employment of Veterans." *Survey Monthly*, N. Y., Vol. 80, Dec. 1944, pp. 345-346. 30 cents.

Current plans for assuring jobs for returning servicemen and some of the inherent problems.

U. S. CONGRESS. SENATE. COMMITTEE ON EDUCATION AND LABOR. *Wartime Health and Education, Hearings*. Washington: U. S. Govt. Print. Off. 1944. 6 parts.

The Pepper Subcommittee held hearings during 1943 and 1944 to investigate the educational and physical fitness of the civilian population. To date, six volumes of testimony have been printed: three deal with juvenile delinquency; one, fixed incomes in wartime; and two, the Nation's health problems. Among those testifying on health were Paul V. McNutt, Dr. Thomas Parran, Dr. Victor Heiser, and Dr. Ernest Boas.

U. S. CONGRESS. SENATE. COMMITTEE ON EDUCATION AND LABOR. SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION. *Wartime Health and Education, Reports Nos. 1-3*. Washington: U. S. Govt. Print. Off., 1944-45. 6, 9, and 22 pp. (Subcommittee Reports Nos. 1-3.)

The first of these reports, *White Collar and Fixed Income Groups in the War Economy*, contains data on the number of people whose incomes have remained static and the extent to which the rising cost of living has affected them. The second deals with juvenile delinquency, and the third considers the health of the people. While the committee "is not prepared to formulate a complete national health program" it does "make

specific recommendations regarding provision of facilities and services" for better national health and physical fitness.

### General

ACADEMY OF POLITICAL SCIENCE. *Shaping the Economic Future*. N. Y.: The Academy, 1945. 139 pp. \$2.50.

A series of addresses and papers presented at the annual meeting of the Academy held November 15, 1944. Among the papers are: Readjusting the Working Population, by Leo Wolman; The Reemployment of Veterans, by Frank T. Hines; Developments in the Social Security Program, by J. Douglas Brown; The Importance of Jobs, by Alfred P. Sloan, Jr.

AGARWALA, A. N. "Problems of Social Security for Industrial Workers in India." *International Labour Review*, Montreal, Vol. 51, Jan. 1945, pp. 1-16. 50 cents.

Presents an analysis of the industrial structure of India, earlier proposals for social insurance, and some of the difficulties in the way of establishing a health insurance program—the first step toward a comprehensive social insurance program.

*Boletín Medico-Social de la Caja de Seguro Obligatorio*. Santiago, Chile, Vol. 11, July-Sept. 1944. Entire issue.

Contains more than 20 articles describing Chile's various social insurance programs.

"British Government Social Insurance Proposals." *Monthly Labor Review*, Vol. 59, Dec. 1944, pp. 1183-1189. 30 cents.

An outline of the Government's White Paper on Social Insurance.

BROWN, WILLIAM ADAMS. *The Future Economic Policy of the United States*. Boston: World Peace Foundation, 1943. 101 pp. (America Looks Ahead, No. 8.) 25 cents.

Analysis of the conflict inherent in our post-war objectives of economic security, free enterprise, full employment, and expansion of international trade.

"Changes in General Economic Conditions and the Retirement and Unemployment Insurance Programs." *Monthly Review* (Railroad Retirement Board), Chicago, Vol. 5, Dec. 1944, pp. 194-199 ff.; and Vol. 6, Jan. 1945, pp. 2-8.

Changes in general economic conditions since 1937 and their effect on the financial aspects of the railroad retirement and unemployment insurance programs as well as on the administrative work load of the Railroad Retirement Board.

\*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Board or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

CHILE, CAJA DE SEGURO OBLIGATORIO. *Estadísticas, 1943*. Santiago, 1944. 99 pp.

The 1943 yearbook of the Compulsory Insurance Fund includes statistics on receipts and expenditures of the Fund, wages, mortality rates, maternal and infant care, and medical and sickness benefits.

CLARK, JOHN MAURICE. *Demobilization of Wartime Economic Controls*. N. Y.: McGraw-Hill Book Co., 1944. 219 pp. (Committee for Economic Development Research Study). \$1.75.

"Deals with the change over from a controlled, inflation-driven war economy to an automatic market system in which supply and demand determine prices and distribution of resources."

CLARKE, HELEN. "General Welfare and Social Security Legislation." *Sociology and Social Research*, Los Angeles, Vol. 29, Jan.-Feb. 1945, pp. 171-179. 60 cents.

Considers recent developments and tendencies in the social security field as indications that the "general welfare" theory is being put into practice.

DEWHURST, J. FREDERIC. *Family Incomes & Postwar Markets*. N. Y.: Research Department, Crowell-Collier Publishing Company, 1944. 25 pp.

A study of the "number of consumers and consumer units, the aggregate amount of money income available to consumers, and distribution of consumer income."

*Economía, Trabajo y Seguridad Social*. Lima, Peru, Vol. 1, Sept. 1944. \$2 a year for foreign subscriptions.

A new magazine, edited by Edgardo Rebagliati, to be devoted to economics, labor legislation, and social security.

GOMEZ MANTELLINI, ANABAL. *Los Seguros Sociales*. Caracas: Casa de Especialidades, 1943. 139 pp.

The principles, scope, objectives, and methods of social insurance.

PRINCETON UNIVERSITY. DEPARTMENT OF ECONOMICS AND SOCIAL INSTITUTIONS. INDUSTRIAL RELATIONS SECTION. *Guaranteed Employment and Income Stabilization*. Princeton: The University, 1945. 4 pp. (Selected References No. 1.) An annotated bibliography.

U. S. INTERSTATE COMMERCE COMMISSION. BUREAU OF TRANSPORT ECONOMICS AND STATISTICS. *Employees Retirement and Unemployment Insurance as Affecting Railway Finances*. Washington, Nov. 1943. 58 pp.

Statistical data on tax collections, benefits, and railway finance.

WALLACE, HENRY A. *The Use of Statistics in the Formulation of a National Full Employment Policy*. Washington, 1944. 9 pp. Processed.

## Old-Age and Survivors Insurance

GLOVER, MILTON H. "So You Can Retire." *Survey Midmonthly*, N. Y., Vol. 80, Dec. 1944, pp. 339-341. 30 cents.

An outline of the National Health and Welfare Retirement Association's plan for providing retirement annuities for the staffs of health and welfare agencies.

NATIONAL INDUSTRIAL CONFERENCE BOARD. *Designing a Company Pension Plan*. N. Y.: The Board, 1944. 16 pp. (Studies in Personnel Policy, No. 67.)

Discusses various types of pension plans, their essential features, and the motives for setting them up. It also surveys Federal legislation affecting such plans.

## Employment Security

CALIFORNIA. LEGISLATURE. SENATE. INTERIM COMMITTEE ON UNEMPLOYMENT INSURANCE. *Preliminary Report*. Sacramento: California State Print. Off., 1944. 31 pp.

The problems relating to the adequacy of unemployment insurance during post-war reconstruction receive special attention.

CAMPBELL, S. F. *Effect of Demobilization and Readjustment on North Carolina Employment and Unemployment Compensation*. Raleigh: Bureau of Research and Statistics, Unemployment Compensation Commission, 1943. 26 pp. Processed.

Estimates post-war unemployment in the State and the effect it "may have on the contribution of industry as distinguished from the individual."

"Compensating Transitional Unemployment." *Survey of Current Business*, Washington, Vol. 24, Dec. 1944, pp. 12-17. 20 cents.

Discusses the number of people covered by State, railroad, and veterans' unemployment compensation systems, the amount and duration of benefits, the adequacy of State funds, and the effect of benefit payments in maintaining consumer purchasing power.

ELIOT, CHARLES W., and DUNN, CECIL L. *Jobs and Security After Victory*. Los Angeles: The Hayes Foundation, 1944. 44 pp.

Discusses general methods of ensuring full employment for the people of California and presents a plan for emergency unemployment relief during the transition period.

MINNESOTA. DIVISION OF EMPLOYMENT AND SECURITY. *Analysis of Workers With Wage Credits, 1942-1943*. St. Paul (?), 1944 (?). 8 pp. Pro-

cessed. Prepared by the Research and Statistics Section.

Data showing changes in the number of covered workers by industry groups.

NEWER, BERNARD S. "An Employment Expectancy Rating Scale." *American Sociological Review*, Menasha, Wis., Vol. 9, Dec. 1944, pp. 640-647. \$1.

An 11-point rating scale of personal characteristics designed to measure an individual's employability.

SCHMIDT, EMERSON P. "Is Unemployment Compensation a Federal Problem?" *American Economic Security*, Washington, Vol. 1, Nov.-Dec. 1944, pp. 6-12. \$1 a year.

The arguments against a Federal program.

"Unemployment Insurance (Increase of Benefit) Act, 1944." *Ministry of Labour Gazette*, London, Vol. 52, Nov. 1944, p. 180. 6d.

Explains the new benefit rates.

WYCKOFF, V. JUDSON. "Unemployment Compensation—A Tax?" *Bulletin of the National Tax Association*, Boston, Vol. 30, Dec. 1944, pp. 90-93. 25 cents.

The arguments for and against considering the unemployment compensation charge a tax or a business cost.

## Public Welfare and Relief

ESCUADERO M., GRACIELA. "La Visitadora Social in el Ecuador." *Prevision Social*, Quito, Ecuador, No. 15, June-July 1944, pp. 113-115.

The rise of professional social work since 1938 and its future in Ecuador.

HERBERT, CARL P. "Taxes and Social Work." *Survey Midmonthly*, N. Y., Vol. 80, Dec. 1944, pp. 349-350. 30 cents.

Foresees a decrease in post-war taxation which will call for more intelligent planning and more efficient spending by public welfare executives.

INDIANA. STATE CHAMBER OF COMMERCE. *Public Welfare and Public Assistance Programs*. Indianapolis, 1944. 41 pp. (Social Security in Indiana, Study No. 1.)

A nontechnical explanation of the programs and their administration.

NICHOLSON, L. I. "Medical Care Costs for Recipients of Old Age Assistance in North Dakota." *North Dakota Welfare—News and Views*, Bismarck, Vol. 1, Dec. 1944, p. 5.

Report on a 2-year study made to determine the effect on assistance costs of including extra-budgetary medical expenses.

ONSRUD, CARLYLE D. "Following Ten Years of Experience We Appraise Our Programs." *North Dakota*

- Welfare—News and Views*, Bismarck, Vol. 1, Dec. 1944, pp. 3-4 ff.
- PRETZER, CLARENCE A. "An Experiment in Co-operation." *Highlights*, N. Y., Vol. 5, Dec. 1944, pp. 116-118. 15 cents.
- The general secretary of the Providence Family Welfare Society describes how the family agencies of two cities are using their resources on a cooperative basis.
- Public Welfare*. Published by the Wisconsin Department of Public Welfare. Madison, Wis., Vol. 1, Nov. 1944.
- The first issue of a publication designed to bring to "the citizens of Wisconsin broader knowledge of what their government is doing and can do to meet the manifold problems of the mentally ill, the socially maladjusted, the delinquent, the needy, and the handicapped."
- STRODE, JOSEPHINE. "Rating Professional Competence." *Compass*, N. Y., Vol. 26, Nov. 1944, pp. 26-27. 50 cents.
- Criteria for rating professional competence in social work.
- TERRY, W. S., Jr. "New Budgeting Policies of the Louisiana Department of Public Welfare." *Conference Comments*, Baton Rouge, Vol. 3, Dec. 1944, pp. 15-16. 75 cents a year.
- Explains the principles underlying the maximum-grant revisions.
- WOOFER, T. J., Jr. "A Method of Analysis of Family Composition and Income." *Journal of the American Statistical Association*, Washington, Vol. 39, Dec. 1944, pp. 488-496. \$1.
- WOOFER, T. J., Jr. "Size of Family in Relation to Family Income and Age of Family Head." *American Sociological Review*, Menasha, Wis., Vol. 9, Dec. 1944, pp. 678-684. \$1.50.
- A study of income and household composition based on the 1940 census figures, and the implications for population policy and a family allowance program.
- ### Health and Medical Care
- BOW, MALCOLM R. "The Maternity Hospitalization Act of Alberta, 1944." *Canadian Journal of Public Health*, Toronto, Vol. 35, Dec. 1944, pp. 461-467. 35 cents.
- The provisions of the act, in effect April 1, 1944.
- "Committee Report on Child Health in the Post-War Period Adopted by American Academy of Pediatrics." *The Child*, Washington, Vol. 9, Dec. 1944, pp. 88-90. 5 cents.
- The text of the resolution recommending an expanded and improved child health program.
- "Content and Administration of a Medical Care Program." *American Journal of Public Health*, N. Y., Vol. 34, Dec. 1944, pp. 1217-1256. 50 cents.
- Six papers, originally presented at the annual meeting of the American Public Health Association in October 1944, on the Association's statement of policy for medical care in a national health program. The text of the policy statement is included. Dr. Joseph W. Mountin outlines the principles underlying the program; unmet health needs are surveyed by I. S. Falk; Doctors Nathan Sinai and J. Roy Hege consider the scope, financing, and administration of a medical care program; Graham L. Davis discusses the need for an increase in hospital and health center facilities; and George St. J. Perrott considers research and training of personnel.
- DIGNAM, J. *Outlines of a Scheme of National Health Insurance*. Dublin, Ireland, 1944. 19 pp. Processed. (A paper read to the Committee of Management of the National Health Insurance Society, October 11, 1944.)
- The chairman of the National Health Insurance Society presents a plan for reorganizing and coordinating all existing health services under a Minister for Social Services.
- FISHBEIN, MORRIS. "Medical Insurance Plans." *Vital Speeches*, N. Y., Vol. 11, Jan. 1, 1945, pp. 190-192. 20 cents.
- In view of the past achievements of American medicine, the author urges that the Nation's health problems be solved "on the basis of private initiative and private responsibility."
- FOOTE, CONE & BELDING. *Interpretative Report to the Council of the California Medical Association*. Los Angeles, 1944. 6 pp. Obtainable from the California Medical Association, San Francisco, California.
- A summary of the survey conducted to determine the attitude of the people of California toward the medical profession and medical care programs.
- GOLDSTONE, DORA. "Medical Care Planning." *Bulletin of the American Association of Medical Social Workers*, Washington, Vol. 17, Nov. 1944, pp. 52-55. 15 cents.
- Some of the problems to be considered in formulating a medical care policy.
- GREAT BRITAIN. MINISTRY OF HEALTH. *Summary Report of the Ministry of Health for the Year Ended 31st March, 1944*. London: H. M. Stat. Off., 1944. 56 pp. (Cmd. 6562.) 1s.
- Concludes that "the general health was at least as good as it was in peacetime, and in some respects rather better . . ."
- "Handicapped." *New Mexico Employment Security Review*. Albuquerque, Vol. 5, Jan. 1945, pp. 1-11. Processed.
- Useful techniques in selective placement.
- HARRISON, ANNA. "Public Medical Care in Louisiana." *Medical Care*, N. Y., Vol. 4, Nov. 1944, pp. 282-285. \$1.
- Describes the work, and the problems, of the Department of Public Welfare in providing medical care.
- KLEM, MARGARET C. "Is Prepaid Nursing Care Possible?" *American Journal of Nursing*, N. Y., Vol. 44, Dec. 1944, pp. 1154-1160. 35 cents.
- Summarizes the nursing service given under the existing prepayment medical care plans.
- KLEM, MARGARET C. "Voluntary Medical Insurance Plans." *Medical Care*, N. Y., Vol. 4, Nov. 1944, pp. 263-270. \$1.
- Data on the number and geographic distribution of subscribers, restrictions on membership, the number of physicians associated with the plans, and the extent and kind of service provided.
- "Lord Teviot's Committee on Dentistry." *National Insurance Gazette*, London, Vol. 33, Nov. 30, 1944, p. 576. 6d.
- The Inter-Departmental Committee on Dentistry, in an Interim Report, recommends the establishment of a comprehensive dental service and of dental health centers to operate as a part of the national health service.
- "Medical Services in Continental Countries." Series, *British Medical Journal Supplement*, London, as follows, "5—Holland," Sept. 23, 1944, pp. 65-66; "6—Belgium," Dec. 30, 1944, pp. 176-177; "7—Spain," Jan. 6, 1945, p. 2; "8—Norway," Jan. 13, 1945, pp. 6-7. 1s. 6d. a copy.
- MILLAR, A. F. WILKIE, and BRODIE, P. MARTIN. "The Medical Service and Its Relation to the Social Insurance Plan." *British Medical Journal Supplement*, London, Nov. 25, 1944, pp. 123-124. 1s. 6d.
- Argues that the medical service program should be separate from the social security system.
- NATIONAL PHYSICIANS COMMITTEE FOR THE EXTENSION OF MEDICAL SERVICE. *A Symposium—Comment and Opinion on Political Medicine in the United States*. Chicago: The Committee, 1944. 11 pp.
- A collection of editorials, largely unfavorable, on the Wagner-Murray-Dingell bill.
- NELSON, FREDERIC. "The Doctor Glares at State Medicine." *Ohio State Medical Journal*, Columbus,



Vol. 41, Jan. 1945, pp. 57-58. 30 cents. Reprinted from the *Saturday Evening Post*, Vol. 217, Dec. 9, 1944, p. 108.

The attitude of the average general practitioner toward the Wagner-Murray-Dingell bill and health insurance in general.

**NORTH CAROLINA. AGRICULTURAL EXPERIMENT STATION, RALEIGH. DEPARTMENT OF RURAL SOCIOLOGY. *Medical Care Services in North Carolina*. Raleigh, 1944. 82 pp. Processed. Obtainable from Dr. C. Horace Hamilton, Chairman, Department of Rural Sociology, North Carolina State College, Raleigh, North Carolina.**

A statistical and graphic summary showing how North Carolina and the counties in the State stand "with regard to hospital and medical care services, health conditions and social and economic factors affecting health and medical care." This study was the basis for the report and recommendations in the following item.

**NORTH CAROLINA. COMMITTEE ON HOSPITALS AND MEDICAL CARE FOR RURAL PEOPLE. *Medical Care and Hospital Facilities for Rural People in North Carolina*. Raleigh, 1944. 10 pp. Processed. Obtainable from Dr. C. Horace Hamilton, Chairman, Department of Rural Sociology, North Carolina State College, Raleigh, North Carolina.**

Outlines the medical problem in North Carolina and recommends that "more rural physicians must be trained; more rural hospitals must be built; more educational and preventive work must be carried on; and convenient methods of paying for medical care must be devised."

"Prepaid Health." *Business Week*, N. Y., No. 802, Jan. 13, 1945, pp. 32, 36. 20 cents.

Brief discussion of the proposed California health insurance bill.

**RUSSELL, MARIAN E. "Unmet Health Needs and Their Implications." *Bulletin of the American Association of Medical Social Workers*,**

Washington, Vol. 17, Nov. 1944, pp. 46-51. 15 cents.

"Senator Wagner Asks Comment on New Health Insurance Suggestions." *Hospitals*, Chicago, Vol. 19, Jan. 1945, p. 88. 30 cents.

The text of a letter from Senator Wagner and the reply of the executive secretary of the American Hospital Association.

**SLADE, ALBEE. "The People Want Good Medical Service." *Medical Care*, N. Y., Vol. 4, Nov. 1944, pp. 274-279. \$1.**

A labor leader outlines the essential needs of a national health program.

**U. S. CONGRESS. HOUSE. COMMITTEE ON LABOR. SUBCOMMITTEE TO INVESTIGATE AID TO THE PHYSICALLY HANDICAPPED. *Aid to the Physically Handicapped*. Washington: U. S. Govt. Print. Off., 1944. 9 pp. (78th Cong., 2d sess., H. Rept. 2077.)**

The Kelly Committee studied the number of disabled and handicapped persons and their opportunities for employment and rehabilitation.

(Continued from page 3)

Commission that funds be provided to permit raising the average monthly payment for old-age assistance to \$35, and that for families with dependent children to \$71. He proposed that the rehabilitation program for the blind be improved and carried forward and "that the grants that were increased for the blind at the last session should be further increased at this session."

Governor Dwight H. Green of Illinois urged enactment of measures to extend the duration of unemployment benefits to 26 weeks, "without increasing the scale of benefit amounts," and to include all employers within the act. To protect the public health, he recommended "an enlarged program, in which schools and other agencies can cooperate, to expand physical training and medical and dental supervision and to explore the fields of diet and nutrition." The Governor pointed out that living costs have risen "above the scale adopted for public aid . . . We must act in this situation with vision, and with the determination that no citizen of Illinois shall be deprived of the means for a decent life."

Minnesota's maximum grant under the aid to dependent children program was termed "inadequate" by Governor

Edward J. Thye. He suggested "that the legislature increase the maximum or arrange for no maximum . . . so that the payment will be on the basis of need in all cases. An additional appropriation should be made if this is done to make possible the larger grants." He also suggested an examination of the problem of recipients of old-age assistance who require more than the ordinary medical attention, to determine whether "a supplement to the allowance for medical needs" should be allowed.

In Oklahoma, Governor Robert S. Kerr recommended strengthening unemployment compensation by extending coverage to persons working for employers of less than eight and to employees of State and local governments, and by providing for a larger maximum weekly payment and a maximum duration of 26 weeks instead of the present 16 weeks. He also recommended that the legislature make "a diligent study of the State's needs in the field of public health and when they are determined, that you provide for them within the State's means and ability."

In view of the surplus in New York's unemployment insurance fund which is more than sufficient for reserves "unless we face a prolonged

and catastrophic post-war depression," Governor Thomas E. Dewey of New York declared that the "time has come to take stock of our unemployment insurance program in order to determine the advisability of greater benefits on the one hand and of rate revision on the other."

Governor Herbert R. O'Connor advised the Maryland legislature that further extension of unemployment benefits "is now deemed advisable if adequate standards of living are to be maintained in time of unemployment . . . Proposals will be forthcoming, for instance, for broader coverage of employers down to those who employ one or more persons. Elimination of the waiting period, extension of the amount and duration of payments, provision for increasing the maximum payment to match any increment that may be granted by the Federal Government to returning soldiers, and possible inclusion of many State employees, are among the proposals to which approval would seem desirable."

Because of the "great importance of the matter of medical care for the treatment of patients who are unable to pay," Governor O'Connor said he would send a special message on that subject at a later date.



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The SOCIAL SECURITY BULLETIN is published monthly under authority of Public Resolution No. 57, approved May 11, 1922 (42 Stat. 541), as amended by section 307, Public Act 212, 72d Congress, approved June 30, 1932. This publication is approved by the Director of the Bureau of the Budget.

The BULLETIN is prepared in the Office of the Executive Director, Division of Publications and Review, of which Mary Ross is Chief, and is under the technical supervision of I. S. Falk, Director, Bureau of Research and Statistics. It reports current data on operations of the Social Security Board and the results of research and analysis pertinent to the social security program, and is issued primarily for distribution to agencies directly concerned with the administration of the Social Security Act. Statements in articles do not necessarily reflect final conclusions or official policies of the Social Security Board. Any part of this publication may be reproduced with appropriate credit to the BULLETIN as the source.

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